

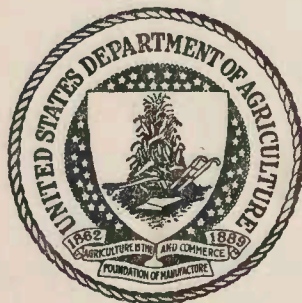
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WASH. D.C., DEC. 1937)

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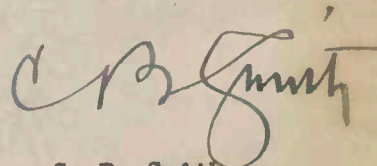
July 8, 1938.

MEMORANDUM TO MISS CORA L. FELDKAMP,
O.E.S. Library.

Dear Miss Feldkamp:

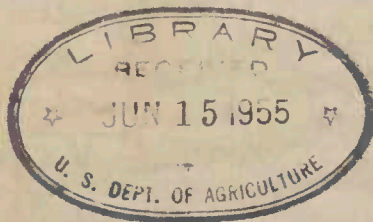
Find attached a partial report, covering papers and discussions at our December, 1937, Conference of Washington Extension workers. The report also contains the reports of the Committee on Farm Income and Buying Power and the Committee on Fundamental Factors in Effective Farm Living. I thought this report might find a permanent resting place in either the Extension or the Main Library, as seems best.

Sincerely,



C. B. Smith,
Assistant Director.

Attachment.



Title

EXTENSION STAFF CONFERENCE

December 13-18, 1937.

889466

- | | |
|---|---|
| 1. Program of Conference. | |
| 2. Purposes of Extension Conferences | C. B. Smith |
| 3. The Extension Service | Secretary Wallace |
| 4. Remarks | M. L. Wilson |
| 5. An Appraisal of the Social and Economic Changes
and Needs of Today | Dr. Carl F. Taeusch |
| 6. What Social and Economic Facts are Needed in
Building a Sound Rural Program (Stenographic
Notes) (Pps. 1-33, inc.) | L. H. Bean
O. C. Stine
Madge J. Reese |
| 6-A. How Can the Facts Needed in a Rural Extension
Program in a State Best be Secured and Applied
in the State? (Stenographic notes) (Pps. 34-56) | C. E. Brehm
K. J. Nicholson |
| 6-B. How Can the Facts Needed in a Rural Extension
Program in a State Best be Secured and Applied
in the State? (Revised from stenographic notes) | C. E. Brehm
K. J. Nicholson |
| 7. Problems on Obtaining the Best Use of Land | L. C. Gray |
| 8. Problems in Adjusting Supply to Demand by Means
of Production Goals | O. V. Wells |
| 9. Problems in Securing Greater Farm Efficiency
through Financing | C. R. Arnold |
| 10. What Conservation Means and is as Applied to
the Soil | J. Phil Campbell |
| 11. What Conservation is and Means as Applied to
Forests | Earl W. Tinker |
| 12. What Conservation is and Means as Applied to
Wild Life | W. B. Bell |
| 13. Family Life as a Fundamental Factor in
Effective Farm Living | C. C. Taylor
John J. Riggle |
| 14. Financial Planning for Family Living | |
| 15. Contributions to Family Living through
Consumer Education | R. S. Hadsell |
| 16. Contributions to Family Living through
Rural Electrification | J. M. Carmody |
| 17. The Responsibility of the Extension Service in
Relation to a National Farm Program | Reuben Brigham |
| 18. Report of Committee on Fundamental Factors in
Effective Farm Family Living. | Gladys Gallup,
Chairman |
| 19. Report of Committee on Farm Income and Buying Power. | H. M. Dixon, Chairman. |

PROGRAM
EXTENSION STAFF CONFERENCE

December 13-18, 1937

Room 1039, South Building
Department of Agriculture

UNITED STATES DEPARTMENT OF AGRICULTURE
Division of Cooperative Extension
Washington, D. C.

UNITED STATES DEPARTMENT OF AGRICULTURE

PROGRAM FOR EXTENSION STAFF CONFERENCE

December 13-18, 1937

Room 1039 - South Building

Monday, December 13

C. B. Smith, Presiding

9:30 a. m.	Purpose of Conference	C. B. Smith, Asst. Dir., Extension Service
	Remarks	M. L. Wilson, Under Secre- tary of Agriculture
	An Appraisal of the Social and Economic Changes and Needs of Today	Carl Taeusch, Chief, Prog. Study and Discussion Section, Div. of Program Planning, A.A.A.
	Discussion	
	Trends in Research	J. T. Jardine, Dir. of Research and Chief, Off. of Expt. Stas.
	Discussion	Miss Sybil L. Smith, Sr. Admin., Off. Expt. Stas.

C. B. Smith, Presiding

2 p. m.	What Social and Economic Facts Are Needed in Building a Sound Rural Program?	L. H. Bean, Economic Ad- viser, A.A.A.
	Discussion, led by	O. C. Stine, Chief, Div. Stat. and Hist. Research B.A.E. Miss Madge J. Reese, Field Agent, Western States, Ext. Serv.
3 p. m.	How Can the Facts Needed in Rural Extension Program in a State Best Be Secured and Applied in the State?	C. E. Brehm; Director of Extension, Tennessee.
	Discussion	K. J. Nicholson, Sr. Agr. Economist, Div. Program Planning, A.A.A.
	Discussion Committee: (Miss Florence L. Hall (L. M. Vaughan (H. L. Shrader (Karl Knaus	

Tuesday, December 14

Room 1039 - South Building

H. M. Dixon, Presiding

Problems in Improving Farm Income and Buying Power

9:30 a. m.

Problems in Obtaining the Best Use
of Land

L. C. Gray, In Charge,
Div. Land Econ., B.A.E.

Discussion, Subcommittee A:

(C. A. Sheffield
(P. V. Kepner
(C. D. Lowe
(J. B. Parker
(M. P. Jones

Problems in Adjusting Supply to Demand by
Means of:

a. Production Goals

F. F. Elliott, Director,
Div. of Program Planning,
A.A.A.

Discussion

b. Ever-Normal Granary and Commodity
Loans

M. Ezekiel, Economic
Adviser, Off. of the Sec.

Discussion

c. Marketing Agreements and Surplus
Purchases

Budd A. Holt, Asst. Dir.
Mktg. and Mktg. Agree.,
A.A.A.

Discussion, Subcommittee B:

(M. C. Wilson
(Miss Florence Hall
(W. B. Silcox
(R. C. Jones
(S. P. Lyle
(H. L. Shrader
(N. R. Urquhart

Tuesday, December 14 (Cont'd)

Room 1039 - South Building

H. M. Dixon, Presiding

1:30 p. m. Problems in Securing Greater Efficiency in:

a. Production

O. E. Reed, Chief,
Bur. Dairy Industry

Discussion

b. Farm Organization

Sherman Johnson, In Charge,
Farm Management and
Costs, B.A.E.

Discussion

c. Distribution

F. V. Waugh, In Charge,
Div. Marketing Research,
B.A.E.

Discussion

d. Financing

C. R. Arnold, Dep. Prod.
Credit Commr., F.C.A.

Discussion, Subcommittee C:

(H. W. Gilbertson
(H. M. Dixon
(Miss Mary Rokahr
(C. E. Potter
(W. B. Stout
(J. L. Robinson
(E. O. Pollock

Tuesday, December 14 (Cont'd)

Income and Buying Power Committees:

H. M. Dixon, Chairman
H. W. Gilbertson
M. C. Wilson
C. A. Sheffield
P. V. Kepner
C. D. Lowe
J. B. Parker
M. P. Jones
Miss Florence Hall
W. B. Silcox
R. C. Jones
S. P. Lyle
H. L. Shrader
B. W. Allin
Miss Mary Rokahr
C. E. Potter
W. B. Stout
J. L. Robinson
E. O. Pollock
N. R. Urquhart

Wednesday, December 15

Room 1039 - South Building

Reuben Brigham, Presiding

Conservation of Our Agricultural Resources

9:30 a. m. What Conservation Is and Means, as
 Applied to:

Human Resources

O. E. Baker, Sr. Agr. Econ.,
Land Resources, B.A.E.

Discussion, Subcommittee A:

(F. C. Meier
(Miss Miriam Birdseye
(D. C. Mumford
(A. B. Nystrom
(Miss Edith Allen

11 a. m.

The Soil

J. Phil Campbell, Head,
Coop. Relations in Ext.,
Soil Conservation Serv.

Discussion, Subcommittee B:

(H. W. Hochbaum
(C. P. Close
(O. S. Fisher
(R. A. Turner

Reuben Brigham, Presiding

2 p. m. What Conservation Is and Means, as
 Applied to:

Forests

F. A. Silcox, Chief,
Forest Service

Discussion, Subcommittee C:

(A. B. Graham
(W. K. Williams
(G. T. Hudson
(E. H. Shinn

Wednesday, December 15 (Cont'd)

Room 1039 - South Building

Reuben Brigham, Presiding

2 p. m.

Wildlife

W. B. Bell, Chief, Div.
of Wildlife Research,
Bur. Biological Survey

Discussion, Subcommittee D:

(C. L. Chambers
(R. A. Turner
(Miss Madge J. Reese
(J. K. Wallace
(L. A. Schlup

Conservation Committees

H. W. Hochbaum
C. L. Chambers
A. B. Graham
F. C. Meier
R. A. Turner
A. B. Nystrom
Miss Madge J. Reese
O. S. Fisher
W. K. Williams
C. P. Close
K. F. Warner
D. C. Mumford
G. T. Hudson
J. K. Wallace
E. H. Shinn
L. A. Schlup
Miss Edith Allen
Miss Miriam Birdseye

Thursday, December 16

Room 1039 - South Building

Miss Mary Rokahr, Presiding

Fundamental Factors in Effective Farm Family Living

9:30 a. m. Viewpoint Toward Family Life

C. C. Taylor, Chief, Farm
Pop. and Rural Life,
Bur. Agr. Econ.

Discussion, Subcommittee A:

(Mrs. Ola Powell Malcolm
(W. A. Lloyd
(Mrs. Lydia A. Lynde
(C. H. Hanson

Financial Planning for Family Living

Milo Perkins, Asst. Admin.,
Farm Security Admin.

Discussion

Miss Day Monroe, Chief,
Economics Div., B.H.E.

Discussion, Subcommittee B:

(Eugene Merritt
(Barnard Joy
(L. M. Vaughan
(Miss Gladys Gallup

Miss Grace E. Frysinger, Presiding

2 p. m. Contributions to Family Living Through:

Social Security

Miss Lavinia Engle, Ed.
Repr., Social Security
Board

Discussion, Subcommittee C:

(Miss Ella Gardner
(W. R. Mattoon
(O. E. Baker

Consumer Education

D. E. Montgomery, Con-
sumers' Counsel, A.A.A.

Discussion, Subcommittee D:

(Miss Grace E. Frysinger
(W. C. Ockey
(W. E. Wintermeyer

Thursday, December 16 (Cont'd)

Miss Grace E. Frysinger, Presiding

2 p. m. Contribution to Family Living Through:

Rural Electrification

J. M. Carmody,
Admin., Rur. Elec. Admin.

Discussion, Subcommittee E:

(Miss Gertrude Warren
(Karl Knaus
(R. J. Haskell
(S. P. Lyle

Farm Family Living Committees

Miss Gladys Gallup
Miss Grace E. Frysinger
W. A. Lloyd
Karl Knaus
Mrs. Ola Powell Malcolm
W. E. Wintermeyer
Miss Gertrude L. Warren
W. R. Mattcon
Eugene Merritt
R. J. Haskell
L. M. Vaughan
W. C. Ockey
O. E. Baker
C. H. Hanson
Miss Ella Gardner
Mrs. Lydia A. Lynde
Barnard Joy
S. P. Lyle

Friday, December 17

Room 1039 - South Building

C. W. Warburton, Presiding

9:30 a. m. The Extension Service

Secretary H. A. Wallace

Committee Meetings

- A - Problems in Improving Farm Income and
 Buying Power Room 1039
- B - Conservation of Our Agricultural
 Resources Room 5439
- C - Fundamental Factors in Effective
 Farm Living Room 5915

Each committee will meet and consider various matters discussed in the preceding 4 days and, in the light of such material, formulate a suggested program for extension in each field.

Saturday, December 18

Room 1039 - South Building

C. W. Warburton, Presiding

9:30 a. m. Report, Chairmen of Committees:

- | | |
|--|--------------------|
| (a) The Conservation Extension Program,
1938 | H. W. Hochbaum |
| (b) Farm Income Extension Program, 1938 | H. M. Dixon |
| (c) Family Living Extension Program,
1938 | Miss Gladys Gallup |
| (d) The Responsibility of the Extension
Service in Relation to a National
Farm Program | Reuben Brigham |
| (e) Final Remarks | C. W. Warburton |

PURPOSES OF EXTENSION CONFERENCES

C. B. Smith.

United States Department of Agriculture
Extension Service
Division of Cooperative Extension

PURPOSE OF COOPERATIVE EXTENSION STAFF
CONFERENCE

Washington, D. C., December 13 to 18, 1937

C. B. Smith, Chief

The national Agricultural Extension Service is a cooperative enterprise. It is supported financially by both the States and the Federal Government. Its large purpose is to carry the practical results of the research of both the land-grant college and the Federal Government to rural people and help the people apply these results in better farming, better home making, better living.

An equally important purpose of the Extension Service is to bring National and State laws and services affecting agriculture and rural life to the attention of rural people, explain to them the meaning and purpose of such laws and services, and then to help rural people organize to take advantage of the benefits accruing to the people under these laws.

Almost equally important with these matters of government that Extension carries to rural people are the studies extension agents make of the successes of rural people themselves and the spreading of the methods of these outstandingly successful farmers to other farmers of the community and State so that they all may profit from what has been learned locally.

I would emphasize this morning, too, that Extension is a two-way enterprise. It not only carries knowledge to the people, but it also brings back to the bureaus, offices, and departments of the Federal and State Governments the problems of rural people requiring further study and research. That is why subject-matter extension specialists office with the research bureaus.

If agriculture is to be helped to develop to its highest levels, it must be given assistance in the development of right National and State policies, right National and State laws, fundamental agricultural research, fundamental education, stimulation of rural people to achieve. Extension must help, directly and indirectly, in every one of these five fields. This is a larger concept than we had of extension when the Smith-Lever law was passed.

The Federal Extension Service in Washington is made up of a group of around 50 people, trained through experience and education in organization and educational methods and subject matter. Its first business is to learn from the bureaus and offices of the Federal Department, including the newer organizations within and without the Department, such as the Agricultural Adjustment Administration, the Soil Conservation Service, the Farm

Security Administration, and the closely related Farm Credit Administration, the matter these agencies have ready for extension and to carry this matter to State extension directors, State extension supervisors, State subject-matter departments, and, through these State forces, to county agents, local leaders, chairmen of committees, and the ultimate farmer and his family.

As to the work of the older bureaus of the Department, our extension staff has kept somewhat closely in touch with what is ready for extension by the bureaus, because we have had extension subject-matter specialists who office with the bureaus the year round and are constantly in contact with its research. In most cases, however, extension has had too few bureau extension representatives adequately to cover all the bureaus have to extend.

In the case of new Federal agencies, such as the Agricultural Adjustment Administration, the Soil Conservation Service, Farm Security Administration, and Rural Electrification Administration, etc., we do not have the liaison and extension agents to office with these administrations and help interpret their great programs to farm people. This has been unfortunate, and we believe it would help much if extension had the same relationship with these new agencies that it has with the older bureaus and offices. Such a staff would, we feel, strengthen both extension and the work of the new agencies in the field. We think such a staff, also, would serve to harmonize more fully the work of all these agencies in the field.

In this conference, we are to hear from representatives of both the older bureaus and offices of the Department and from the newer administrations and services. Out of these presentations and our conferencing together, we hope our extension staff here in Washington may be the better prepared to carry the message of the Department bureaus to the States and to explain and interpret the work of the newer agencies of Government to State extension forces. It is our philosophy that whatever research work the Department of Agriculture and the State experiment stations do, whatever the Department and agricultural colleges teach, that same matter in its practical aspects extension agents may carry to the field and help farmers apply.

The conference of the week centers around the general social and economic outlook, problems of improving farm income and buying power, problems of adjusting supply to demand, problems of securing greater efficiency in production, farm organization, and financing; the conservation of our national resources, and fundamental factors in effective farm-family living. Three rather large committees of the Extension Service and numerous smaller sub-committees will consider the presentations and discussions of the week and, as far as it is practicable and possible, attempt to crystallize them into a working extension program for the Washington Extension Service for 1938.

Through this working together of the extension staff and bureau and administration representatives for an entire week, we hope to become more cooperative-minded. The new order is here -- the old order has not passed

away, but is being remade. This week's work together should make us all more conscious of what is happening and more effective in meeting changed conditions. Extension has been a help in bringing about a new outlook and in putting into effect new agricultural policies; but it hasn't begun to play the part it is capable of and should be playing.

Extension is made up of 8,500 technically trained men and women, strategically placed in practically every county of the United States, Hawaii, Alaska, and Puerto Rico. This staff is aided by 483,000 volunteer farm men and women in practically every township everywhere. Extension agents have personal knowledge of the problems and conditions on at least 4,000,000 farms in this country. It has at its command the advice and counsel of farm men and women who know and who are today increasingly discussing agricultural affairs and policies. It is in position, as no other rural organization is, to feel and know the rural pulse in every corner of this country. Its staff of men and women are daily growing in mental stature and business ability, because they are dealing daily with great economic, social, and human problems of rural people and are dealing with the realities of life. Most of them are real statesmen.

And we, the extension forces in Washington, are in a strategic position to stimulate this great educational extension organization of the Nation, not only to promote more efficient technique in farming and home making, which we are doing and doing well, but to enter more largely into the consideration and more helpfully into the formulation of National, State, and county agricultural programs and policies and to work out with rural people and those in authority the fundamentals that should constitute the essence of Federal and State laws affecting agriculture and farm people.

We have come along together for a period of years now on the lower levels of Extension, because that is where the law under which we operate started and because we had to begin where we ourselves were and the people we served were. It is the way all great things start. As with Saint Paul, in our youth we thought as a youth, we saw dimly -- we concerned ourselves with the immediate things needing attention. Under such stimulation as we have been able to bring them, farmers have grown. Extension forces have grown with them. We don't reach manhood overnight, but we are growing up to it.

We have come to see that in our work with rural people we must deal not only with isolated parts, we must also synthesize these parts into a related larger whole. We need to better correlate our work with that of our associates. We need to help the farmer with his larger problems of policy and State, to help farm people develop a background and philosophy of rural life. Extension, with its trained, experienced, trusted staff in every corner of the United States, in intimate contact with the best thinking in rural life, is in the most strategic position of any group in America to lead in helping to build a great agriculture, a great rural people, a great nation. We, here in Washington, are at the wheel. Are we wise enough, able enough to develop National and State agricultural programs, suggest National agricultural policies, National laws? There is no bigger or more

fundamental task in all America than ours. Each day every one in this group, as we are organized here, has the privilege of determining for himself or herself whether he or she will do the small things or the large things of Extension.

It is the intent that, with this counseling together with ourselves and the various other agencies of Government during the week, each of us may see the great job before him or her still more clearly, get a little broader concept of his or her work, see our relationships to each other and to other organizations more clearly, do a bigger, more constructive job than ever before. The States expect it of us. The Department expects it. It is part of the plans of all of us for 1938.

EXTENSION STAFF CONFERENCE

December 17, 1937

REMARKS BY SECRETARY H. A. WALLACE.

page

SECRETARY WALLACE

1

EXTENSION STAFF CONFERENCE

December 17, 1937
9:00 a. m.

Room 1039 South Building

REUBEN BRIGHAM, Presiding.

THE PRESIDING OFFICER: Our speaker this morning will be the Secretary. Mr. Secretary, we have been giving special attention this week to a discussion of certain main objectives, including the problems of the farm incomes, conservation of resources, and the subject which we had under discussion yesterday was effective farm living, trying to give attention to certain major objectives around which we can center our coordinated efforts during the year, and have devoted the week to a discussion of these topics and have set up a series of committees who have given study to these things and will bring in reports tomorrow. It gives me great pleasure to introduce the Secretary and receive his message to us.

SECRETARY WALLACE: Ladies and gentlemen: It occurs to me that for any individual or any institution to be truly effective, there are at least three qualities which are of great importance. The first of these is enthusiasm; the second, insight; and the third, factual information. The first extension man I ever met from Ames embodied those three qualities to an unusual degree. I don't remember his name. I am not sure he was technically an extension man. It was back in 1902 or 1903. My father had about 10 acres on the edge of town. He had planted several acres of apples and he was having them top grafted.

This horticulturist from Ames came down to indicate how the top grafting might best be done. It happened I was planting out strawberries and, having an unusual tenderness for the roots of the strawberries, I was more or less patting under the roots. This individual from Ames, seeing the error of my ways, with great joy and vigor showed me how the earth should be very firmly placed around the roots, and told me various other things vigorously. He had an extraordinary enthusiasm and insight and he had hard factual information. We all remember P. G. Holden, who was especially strong on the first two points. I was never quite certain he was very strong on the last point with respect to corn, but I am wondering if in a way the first two points aren't, well, at the present moment, let's say the first two points are at least as important as the last point. We want to be as sound as possible on the last point so folks can't make fun of us. There is increasing danger as time goes on that we will lose sight of the first two points and place too much emphasis on the last point, because the Experiment Stations have been so much stronger on the last point. We have had so much hard factual information. You Extension people have had to suffer so much from the intellectual labor surrounding that hard factual information that it is rather natural you would want to make someone else suffer, too. It is just like the minister, having gone through the hard service of the theological seminary, wants to make his parishioners suffer. There is no substitute, though, as we all know, for enthusiasm and insight, and intuition, if you please, with regard to people with whom you are working, with regard to facts with

which we are working. So I am hoping that the Extension workers here in the Department of Agriculture who come in touch with these myriad agencies in the field are to some extent approaching the problem from the viewpoint of getting set up in the hearts, in the very center of being, in each of the people with whom they come in contact, an individual dynamo. You can't equip those people with all the necessary facts. If you can give them vision so that they have the power themselves to go on, well and good. That particular horticulturist who taught me how to plant strawberry plants taught me a very small thing, but his enthusiasm and insight was more important than his hard factual information. Not decrying in any sense the importance of hard factual information, but you have to be abreast of the times wherever they may lead you, that particular stage at which the times have arrived. You have to be abreast of the times in so far as it is appropriate for people engaged in Extension work can be abreast. Occasionally some of you Extension workers can actually lead the times, or if he is unusually gifted he can have a better grasp on certain types of hard factual information than research workers have themselves. That is the case occasionally, but still that is an accident. So I do trust that you consider the problem of spreading by a process of contagion enthusiasm and insight against the background of the situation in which you find yourselves at the moment. Now, you will have to use insight and enthusiasm in order to discover the trend of the times. Those of you who have religious backgrounds will remember that Jesus on one occasion spoke with a certain degree of, you might say almost anger

with regard to the people who could discern the signs of the weather but who couldn't discern the signs of the times. So if you want to have religious authority, you can take it for what it is worth: it is your Christian duty to discern the trend of the times. It is not a trend of this administration, it is not a trend of the United States, it is a trend of the whole world. It is a trend which has been in the making for many centuries. It is a trend that has been in the making especially since America was discovered. It is a trend which has been in the making since the World War in an extraordinary degree. It is a trend which has been in the making especially since the great depression came on in 1930. These trends about which I am speaking are inevitable. In some of your contacts you may feel it is due to the cussedness of certain individuals that these difficulties have to be wrestled with, that maybe these difficulties could have been less if it hadn't been for the cussedness of the individual, but they would still be there. If it is the cussedness of those particular individuals which is disturbing you, these things may in some circumstances bring about a quicker solution than would otherwise be the case if they hadn't happened.

Take 2

You find this: That whenever any group of people is definitely working for the general welfare in the broader sense of the term that the various types of human difficulties that are brought to the fore serve almost invariably, I think I can say practically invariably, if you will hold your goal firmly in mind, as an incentive to getting the work done more quickly. If you get your attention side-tracked with various types of very human difficulties you get lost in the morass of the swamp.

I was very much interested in reading over last night Dr. Smith's speech. I thought he did an unusually good job. Someone told me that he gave it extemporaneously. I wish I could give a speech extemporaneously that well. I felt such an inferiority complex in reading over his well-rounded sentences, but I thought Dr. Smith outlined the situation in which we find ourselves with admirable accuracy.

A year ago you may remember that I spoke of the desirability of building different types of bridges, taking the bridges between the North and South Agriculture Buildings as an example, and suggested that that was the function of the Extension Service. I think the Extension Service is always going to be in the process of building bridges. It definitely will never cease. Some of you may long for the good old times. They will never come again. You will never find life easy, and it may even be increasingly difficult for the Extension Service. We have extraordinary new relationships to work out. I don't know how they are going to work out and you don't know how they are going to work out. The important thing to remember all

the time is that you have to hold up the welfare of the farmers and the soil on which they live, and you have to hold up the welfare of the nation as the goal. Always ask the question: "How can these ends be best served?"

The Extension Service undoubtedly has done a marvelous work in carrying out technical information in the past. At times I have felt critical about some of the technical information, feeling that it was not essentially true in certain fields. I am still somewhat critical about that, but when you keep in mind the trend of the times the necessity for enthusiasm for insight into the human beings with whom you are working, why, it may be that you have gone about as fast as you can go; maybe we have simply to reckon with these various esthetic appreciations of the various types of grains and livestock--maybe that is art. It may be what you are after is not the type of grain and livestock that will most effectively turn soil fertility into food for human beings. Maybe what you are after is increasing the artistic appreciation of the farmers. Maybe that is the trend of the time. If that is what you are up to, all right. Maybe that is a good thing to do if you get the maximum enthusiasm and insight for the goal, all well and good. But I think if you have that for a right hand it would be well to have a left hand also which is carrying out to the farmer knowledge of the methods of converting soil fertility into the maximum of food at the lowest cost of human labor, and I think that the Extension Service and our Experimental Station workers--the Extension Service is not to blame in this field, I don't think. Our Experimental Station workers in many cases, especially in

the Animal Husbandry field, have just simply been behind the scientific times, and there is need for a period of twenty years of bridge-building for the Experimental Station worker in the Animal Husbandry field. I could explain why that is. It is perfectly natural. They will have to do some hard running to catch up with the procession, and in that time the Extension people will have to get the Animal Husbandry field caught up with the other fields in terms of the efficiency which should characterize our agriculture, but--I can talk to you frankly that way. I wouldn't care to talk to, well, in the wrong places that way because it would destroy enthusiasm and make insights difficult, and we want the maximum of enthusiasm and insight and we want to gradually get them shifted around.

I was given a great lesson in that early in life by Professor H. D. Hughes who was familiar with the corn shows, and back in the early twenties when I was breathing fire and brimstone against the iniquities of the training of generation after generation to produce corn for its appearance without sizing up the productivity of an ear of corn, which I knew didn't have a thing to do with the yield because I had planted the corn and knew the corn show people didn't know and didn't want to know, and I was angry about the whole thing, Professor H. D. Hughes, a little older than I, and knowing the various types of clientele on which the colleges had to depend, and also being a very loving student of human nature, tamed down several of my enthusiasms which at the time might have proved destructive and converted them into more constructive channels, and the change was gradually made.

That is the technical field or type of bridge building. Now we

do have the type of bridge-building which comes under the various programs which have been started in the last four or five years. We have the Triple A. We have had at times a variety of bridge-building--soil conservation under Bennett, there has been a great deal of bridge building done or yet to do. There is the Farm Security Administration under Dr. Alexander which has done much bridge building. The tendency, of course, in these fields where bridge building is necessary is to look on the efforts as contradictory. I have run into the A. A. A. program as contradictory to Secretary Hull's trade agreement program. That is in another field and you don't have anything to do with that particularly, but I have always looked at it: Here is a chasm to be bridged in respect to the demand for farm products, a chasm created by the World War which raised our tariffs and the debt of other nations to us, and here is a chasm to be bridged: are we to create a demand for our farm products or are we going to stop producing the farm products for which there is no longer a demand. So Secretary Hull builds from one bank and we build from another bank, and I don't know how long a bridge we are going to have to build. I think we have got the same kind of situation in respect to these action agencies which have county units out in the field. What it is going to settle down into, no man can say.

We do know there is going to be a continual state of flux. We do know that we want a solution which is not mere accommodation between the Washington bureaucracies and the State bureaucracies. Of course, you know how bureaucracies are, because we are all bureaucrats, we are part of the machine. You know especially how it is, because you have seen both bureaucratic outfits at work. You have been caught right between the two fires. There are many fine things about bureaucrats, there are many fine things about bureaucracies, there are many fine things about observing Bureau channels, not stepping over them. You know how people generally get along best, by observing the courtesies of Bureaucratic procedure. We also know that there is a less lovely side to it. You know how important it is to have the channels flowing in the most constructive way possible. We know how people feel about those who think continually about bureaucratic procedure. So far as most of us are concerned, I am convinced that the all-important thing is to forget about the bureaucratic problem, is to forget about those men who deal with those problems, and it is perfectly appropriate that certain men should be concerned with those problems that help eventually to determine the relationship between the various types of bureaucracies, between the Federal and State Government. Many of those men who have concerned themselves with that field are also concerned with matters concerning personal prestige, and so on. It is hard often times to say where one begins and the other leaves off. It is almost impossible. Most of us, though, I think are rather simple human beings and are not concerned so much with those things. Some human beings, if they start

concerning themselves with those things, get into them so deeply that it may tend on certain occasions to impair their usefulness somewhat. It is much better to have the mind driving continually at the thought of how we are best going to preserve this soil which must be preserved over the centuries, how best are we going to serve these human beings who live on the farm, how are we going to get into the hearts of these human beings who live on the farm these characteristics which we are teaching, of enthusiasm and insight and hard factual information, how are we going to help those human beings who live on the farm to combine these three characteristics into a service of the whole man, the whole family, which will work its way out into something which is neither enthusiasm, insight or factual information, but something which blends together to express itself in terms of that which many people call culture. It is a grand thing that the Extension Service has continually held on, especially in the women's work, to the concept of culture as the final end, of beauty as the final end. Some of you remember when George W. Russell was here that he spoke to us in just such language, and again and again held up the ideal of the cultural life and the ideal of beauty as the goals. Now, Reuben Brigham tells me you have undertaken to define more clearly the problem of a fair share in the national income. That is grand. I think it is important at this particular stage. It is in keeping with the trend of the times. He said that you are undertaking to define a standard of living; how this fair share in the national income can best be used. That is grand. I am throwing in this other, which goes on to the next step,

just so that when the rend of the times is such that you can deal with this other, you can be thinking about it. You might want to give a whole session to it. The difficulty with this other that has to do with culture and beauty is that it tends to become nebulous. You can't lay it out and get ahold of it as you can proteins and carbohydrates and strains of livestock and soil fertility. It eludes your hand and floats off like mist. So we find continually in our approach to things that we reach out for that which gives ultimately the values of life, and then we swing away and get ahold of something hard and substantial, swing back and forth. I am firmly convinced that ultimately this fair share in the national income and the standard of living, unless it is expressed in those terms, is without significance. Our whole approach has been an analytical approach. In the last century there has been an analytical approach, breaking things down into component parts. Gradually we are swinging away. Dr. Alexis Carrel, in a recent speech, gave emphasis to this, in his speech up at Dartmouth, I think it was in October. I am convinced that we are gradually swinging now toward the coordinating approach, the synthetic approach, and all our minds are formed by the old analytical approach and we want to reach out and grab ahold in some precise, definite way. In this coordinating approach we find it difficult and baffling, and, not realizing that the whole technique in that approach is different, we stumble around a bit. With regard to it, I hope you don't waste any time at this session, but if you are again dealing with that particular phase of the matter you might take it up. I am glad Reuben

Brigham has told me a little bit about what you have done. On the train coming in from Chicago he told me a little bit about how much progress you had made in the past year. He gave me some figures on the 4-H Club work. He told me that you were reaching about fifty per cent of the farm boys and sixty-seven percent of the farm girls between the ages of ten and nineteen, and that about eight and a half million dollars of Federal and State funds are being spent on this 4-H Club work, and that you are getting the help of about 116,000 unpaid local leaders. With that much money and that much man-power, I think the nation has a right to expect great things from this oncoming generation. I hope that too much of the money and the man-power does not go into the production of the competitive spirit; that too much of it does not go into--I know you have been working with that now for a number of years. You want to emphasize the trend of your own thinking.

I hope that too much of the money and effort doesn't go into activities which finally end up in some commercial agency. It is fine to have a good cooperative spirit with commercial agencies, but I think we may well continue to question our activities there and I know you have questioned them.

Working with this younger generation, we do want them to think clearly in hard, factual terms. We want them to think clearly in terms of their fair share in the income from agriculture. We want them to think clearly in terms of a balanced economy, of farmers not getting more than their share, but getting their fair share. We want them to think clearly in terms of the soil, but this younger generation, especially with the boys I think we ought to do a little more of that which I think you have done with the girls in laying some emphasis on the ultimate ends and values of life. As far as the adults are concerned, I don't know how much you should do with this matter of the values of life. You had better stay pretty fast to the hard, factual information because that is what they have been trained with, but with this younger generation they have got to have a better slant than we have had, they have got to be able to think in terms of the general welfare, and they have got to be able to think in terms of culture. First you have got to get ahold of them with the hard, factual things, teach them how best to plant strawberries and how to milk a cow, and give them an intimate understanding of the things which are about them. That is something that is really akin to religion. It is a type of religion having that intimate sense of understanding of the things, of the life that is about us. What

glorious opportunities farm children have in that respect. But also to have them feeling their position, that they are a part of a civilization which can be made, with our material wealth, extraordinarily beautiful, and if the farm boys and girls are not equipped with certain values, then agriculture will not serve as the balance wheel in our civilization -- I am convinced that the farmers are the balance wheel. If they are not equipped to serve as the balance wheel, our civilization will not indefinitely remain democratic.

I think you have an extraordinary responsibility to these 4-H Club boys and girls, and if I were speaking critically I would say that we have perhaps fallen a little short of realizing the possibilities in that field, possibly more so than in almost any other field that I know. I am confident that this other matter of relationship with these action agencies that in the nature of things that is going to work out constructively, but in this 4-H Club work, I still want to express some concern.

ADDRESS OF M. L. WILSON, UNDER SECRETARY
OF AGRICULTURE.

BEFORE EXTENSION STAFF CONFERENCE,
December 13, 1937.

ADDRESS OF
M. L. WILSON, UNDER SECRETARY OF AGRICULTURE
BEFORE THE EXTENSION STAFF CONFERENCE
9:30 A.M.
DECEMBER 13, 1937
ROOM 1039 - SOUTH BUILDING

Dr. Smith, I feel that I am much more at home with this kind of a bunch than almost any other kind of a bunch that I know. I remember very well that trip that we made together out in the Red River Valley of Eastern North Dakota. A long time ago, wasn't it? And there is a lot of water that has gone over the dam since we took a horse and buggy, I think a livery rig, if I remember the case and as the recollection comes back to me now, I think when we got back to the town you said that you were very delighted that I could have made the trip with you, and I asked you about my paying for half of the livery bill and you very kindly told me that you were representing the Department of Agriculture and you could put it in all right in your expense account.

Director Warburton asked me to come over for a few moments this morning. He asked me first if I couldn't come over and kind of make a kick-off for this. At that time I didn't think that I would be here today, but plans were shifted; the Secretary was away today and consequently I am here this morning. When the program came to me the other day the understanding was that I was just coming to ask the blessing on all the rich food that was going on in this banquet

that was to last the next four or five days. I always like when I am asked to make any talk to have the subject just as wide as it can be made so that I don't have to confine myself to any particular allotted subject, because I noticed before I came over, and as you stated in your introduction, Mr. Smith, all I have is remarks, and I might say random remarks at that. While I feel myself one of the extension group, just the same I sometimes think that I have a little different position in looking at it than if I were in the procession and in the army myself. And I am deeply impressed, Dr. Smith, with this chart that is on the board, I am deeply impressed. I didn't think the numbers were as great as you said they were, 8,500 trained extension people within the field. That makes extension one of the great forces - I don't like to use superlatives and I don't like to make comparisons - if I say one of the very few great forces in molding farm people of today, and probably molding them in the future as well. And the responsibility that rests upon us, therefore, is a very great responsibility, and while we are not very old, we have a very great tradition going over nearly 25 years.

Now, this particular time, last year, this year, and probably next year, seems to me to be a very significant time, for the reason that if the future is stable - and let me put about three lines under that "if" - if the future is stable it would look as though emergency activities which have developed in the five years to meet emergencies that were brought on by great changes, great social

and economic changes, that those emergency programs were passing from the emergency phase over more or less into a permanent phase. The first of those transitions was the passage of the Soil Conservation Act, which was at the time the Soil Conservation was brought over from the Department of the Interior. The second of those was based on the Farm Security Act, which took what had been little emergency agencies and put them in a permanent and definite set-up within the Department of Agriculture, and I rather think the third of those is legislation that is pending up on the Hill at the present time, which very likely is in the direction of taking the AAA activities and casting them in the light of the more permanent principle of the ever normal granary and putting that as a permanent and not as an emergency element in American agriculture.

Now, if that is the case, that marks then the injection of administrative agencies and administrative principles into American agriculture, and it marks the emergence of this principle which I think is very basic to these, and that is of farmers cooperating with the Government to help them do things which they cannot do themselves. Such being the case, that puts a very great responsibility on the farmers themselves and if these programs are to be permanent programs, as I think they will be permanent programs, if they are to operate democratically, as I think they will operate, then the great mass of farmers have got to understand them and understand the principles that are continually involved within

them or these programs will be in danger of various kinds of phenomenon which might very greatly upset them and which will turn the direction of them entirely.

And that raises a question that bothers me a good deal. I noticed your touching on it in your remarks this morning, Mr. Smith, as to what is education. The responsibility and the load that is now put on education in order to make these things function is a great deal larger load, it seems to me, than it was when I thought of agricultural education being largely concerned with vocational matters or with the elements which went into farming in order that farming might apply the most recent findings of science, and that the operations of the farm, technical operations of the farm and the methods of farming might be as consistent and as up-to-date in relation to modern agricultural science as possible.

Now, in order to make these programs work, it is going to be necessary that farmers, it seems to me, that farmers have some way, and the question that arises in my mind is this: Is it the function of the Extension Service to assume this responsibility, or is it the service of some other type of educational enterprise, or does this rest pretty largely upon - well, the general approaches of education. Now, let me illustrate what I mean. I am not - well, to use a slang phrase, I am pretty low this morning. I have been getting low by degrees, by slow degrees, Dr. Smith. From coming over and looking into your faces has brought me up quite a bit, but I am still low,

and I am still low because I think the greatest problem before farmers, and the greatest problem in agriculture today, isn't the problem that is involved in the legislation on the Hill at all. It is the problem that is involved in world affairs and I think that the alternative can be very easily stated, but what alternative, what course the ship will take, I don't think anybody can predict, and I don't think that anybody can predict even probably the decision or the forces that will determine the direction of our ship of state, they are forces that may be put on the lap of the Gods.

We all know that certainly for the last two years, the international situation step by step, step by step and day by day, has gone in what I believe most of us feel - well, to put it frankly, almost in the direction of another World War, that all the Western civilization has been holding its breath about for a long time.

Here are these three alternatives: another world war. Perhaps we can stay out of it. It wouldn't matter whether we were in or it wouldn't matter whether we were out, for the purpose of my argument. The effect of that on American agriculture would be so great that we just couldn't comprehend it at the present time. The other alternative would be, if there was not a world war, the nationalistic situation in Europe, the tenseness, if it let up a little bit, then the flow of Government finance and the flow of industry away from the making of war materials would be such that unless they were picked up in commerce and picked up in the regular forms of industrial development, it would bring about a very great period of unemployment which would certainly shock the structure of Europe.

Now, the other alternative, the alternative to these two alternatives, is the development of international trade, and this development of international trade means a higher standard of living throughout the country, throughout the world, and that higher standard of living throughout the world will be absorbing these people in Europe that come from the munitions factories over to the regular processes of employment, and that involves picking up of agricultural surpluses, and so forth. And that problem now of reducing it down from three alternatives to two alternatives seems to me to be either the one of shifting from economic warfare that is going on in the world as it has never gone on before, and military warfare going on without declaration of war under the guise of economic warfare, or this other alternative of developing the trade throughout the world and causing a higher standard of living in picking up the agricultural products. Now, the position of the United States

is such that I think we have a good deal of leadership; that is, we could exert a good deal of leadership in that direction if the people of the country were willing to support it.

Coming around to another step, that, it seems to me, pushes the whole program of the trade agreements, international trade agreements, around as the most important agricultural issue of today. Now, then, I raise the question, is it possible for extension agencies to carry on educational activities in this international situation and the elements involved in reciprocal trade agreements without its being felt that this was rather indirectly and remotely related to agriculture and that--well, it was a pretty highly controversial, highly political kind of proposition--and that if agencies such as ours which desire to steer clear of controversial kinds of economic questions, whether our involvement in them would produce a great deal of difficulty.

Well, I don't know, but when I read the morning paper I felt much more deeply about this thing than I felt before I read the morning paper, and after reading the morning paper my lowness would have been pretty low, Dr. Smith, if I hadn't come in here. That problem of whether or not there is a responsibility for this agency here which represents such tremendous potentialities. As you mentioned in your remarks, Dr. Smith, the broadening of the circle of its influence and circumscribing in an area a lot of things here which it seems to me the impact of world events have thrown right into the lap of agriculture and agricultural people, is something that gives me a great deal of concern.

The other change that I think that I can see very definitely taking place is this change from-- I used to say a great many times myself, I expect there is probably no one here who said it more frequently than I said it, if we can get facts and just get these facts out to farmers, farmers have very good sense, and what we needed to do was feed the facts out to the farmers. Now, Dr. Spillman had a saying once that I think was a very true saying, and that was that farmers could solve the kind of problem that they could solve, they could solve the kind of problem that came within their experience and that they could solve, but that there was just a great lot of problems that did not come directly within their experience and they couldn't solve them, and therefore it was the function of somebody-- this was before the days when we talked about planning--it was the function of some group of people that were not farmers to take these facts that farmers were not in a position to use directly themselves, and put them in a form that they could do something with and use them. I think, if Dr. Spillman were living today, he would be talking about planning, and today there are a great lot of things which come from the laboratories and come from the scientific researches and thinking today that throw the facts out to farmers, but as such they can't be used, and they have to be put in the form of programs, they have to be put in the form of policies, and have to be put in this general structure that we call planning. And, therefore, as the thing becomes more complicated, and as the Government enters into the kind of activities

it has entered into, then this necessity becomes greater and greater of taking the facts that the farmers can't directly use and putting them into some kind of matrix and some kind of form that they can use them. That, to me, Dr. Smith, re-emphasizes at this time and in this particular place that we are here, the transition from the emergency things and extracting all we can out of the emergency activities in the last five years that would be helpful to us in the long run, are far greater functions in this thing that we have called planning, and that phrase I believe is coming to be expanded a little bit, not only planning but policy formation in relation to it, I think planning and policy forming being a little different thing but twin brothers. Extension, therefore, has its problems about which I think it is going to do a great deal. One of these problems is re-defining what is education or what is its responsibility in education, and the other is its added activity as a very important activity in the planning and policy making field.

I am sure that you are going to have a splendid week, and I wish that I could partake of the feast more than I will be able to.

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AN APPRAISAL OF THE SOCIAL AND ECONOMIC
CHANGES AND NEEDS OF TODAY.

By Dr. Carl F. Taeusch.

United States Department of Agriculture
Extension Service
Division of Cooperative Extension

AN APPRAISAL OF THE SOCIAL AND ECONOMIC
CHANGES AND NEEDS OF TODAY*

By Carl F. Taeusch
Agricultural Adjustment Administration

This forbidding title should be simplified. Instead of doing so, those who had charge of the program asked a philosopher to discuss the subject; and that, in Allen Eaton's words, means "just to make a long story a little longer." For it will be my purpose to delve a bit deeper into our current thought processes than is ordinarily implied in the term, "today."

Ian Maclaren, in The Bonnie Briar Bush, had an interesting character - Hepsiba, I think she was called - who had great difficulty in following the long-winded Scottish sermons of those days, until she hit upon a helpful device. While preparing the Sunday dinner, after the service, she arranged the plates, cups and saucers according to the main and subordinate points of the sermon; filling out with silverware whenever some of the points became highly involved, and even then having to take recourse in buttons, spools, and the dishcloth. It may help you, therefore, to keep your mental tableware in order if you know beforehand that I propose to suggest four major issues which lie at the bottom of our present-day farm thinking; and that each of these four issues may be alternately clarified and muddled by referring to three phases of each. If you think at first that these involved factors are not consciously present in farm thinking today, it will be my task to show that they are there at least subconsciously. And that means that they are probably more deeply embedded in our lives than we ordinarily realize.

Fatalism v. Pragmatism

The first of these major problems concerning our present agricultural thinking has been deeply embedded in us by the development of the natural sciences during the past few centuries. The issue between fatalism and pragmatic control constantly confronts the farmer in his daily experience; for he at one and the same time is confronted by the weather, breeds animals and plants, plows his fields, and tinkers with his machinery.

The physical sciences and some of their applied fields, inculcate the fatalistic view of life. Astronomy, watching the uninterrupted course of stars and planets, employing a million light-years as its unit, and resting solidly upon the law of gravitation and other "laws" of nature, or of physics and chemistry, is quite in accord with the Biblical statement, "What is man that thou art mindful of him?" The meteorologist may delve into the ocean currents, or traverse the polar regions, in search of causal agencies; he may

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even assail the stratosphere and take account of sunspots. But he agrees quite cordially with Mark Twain that "Everybody talks about the weather, but nobody does anything about it." And not only has agricultural life always been largely dominated by the inevitability of the seasons, not to speak of the omnipresence of the uncontrollable daily weather; but the American farmer in particular has been peculiarly impressed by both. For, as the tide of migration moved westward, it encountered new seasonal variations; and it met the weather coming eastward from its unknown sources. It is not surprising, therefore, that there is much in our American rural life to remind the anthropologist of the earlier totem forms of social life, in which there was an acceptance of nature, a resignation to her whims.

But science has another realm, the biological; developed later than the physical, and not yet a match for it. The doctrine of organic evolution is only a century old, and its earlier views that strains could be changed and controlled have yet to be established. The important thing to note is that Darwin got his idea by observing the experimental breeding of grains. And, although he stressed the basic priority of productive abundance--the almost wasteful, if not uncontrollable, profusion of nature in producing spores and seeds, germs and offspring--the ideas which have worked their way into our thought processes are those of subsequent and derivative factors: "struggle for existence," "natural selection," and "survival of the fittest." Now, not only have we employed these pragmatic ideas far more in our social life than we have in our scientific developments; but the farmer, tilling his fields, selecting his seeds, breeding his stock, has also come to think that "something can be done about" his troubles. And this idea is strengthened by his use of machinery and his tinkering with it. And that attitude goes as far back into the early history of mankind as does the fatalistic view of totemism; back to the medicine man, who rattled bones and mumbled words and made incisions--anything, so as to "do something about it." And if modern medicine still sways suspended between these two poles of art and science, it is not to be wondered at that farmers and farm leaders also will fluctuate between "letting nature take her course" and "raising less corn and more hell." Joined by the engineers and other technologists, who do things to nature, the American farmer, a practical biologist, is becoming increasingly a social as well as technical pragmatist, willing to experiment and letting the results determine the "truth" of a proposition, scientific or social.

Let us not forget, however, that both the fatalistic and the pragmatic attitudes toward life play prominent, if alternating, parts in the behavior and thinking of the American farmer. If he becomes a bit confused, sometimes, in attempting to reconcile these two points of view, let us remember that the natural scientist is in much the same predicament. The biologist may have stressed unduly at times the evidences of environmental influences, controllable, controlled, or uncontrolled; and he may in earlier years have optimistically concluded that the time-span of evolutionary processes was far shorter than he now thinks. But the stubborn facts of heredity have tempered considerably the enthusiasms of biologists, plant and animal breeders, educators and social engineers alike. On the other hand, the physical sciences have become far less fatalistic, or at least mechanistic, than they were before the advent of Einstein. The change here has come about largely, not in the material

factors, but rather; as Bridgeman has shown, in the realm of concepts, of ideas. When an experimental physicist can state that he is balked in his analyses not so much by the limitations of his appliances as by his inability to conceptualize what is going on, one can see that the fatalistic implications of the older physics have given way to indeterminism and subjectivism. This change of attitude has not percolated much beyond the circle of professional physical scientists; it may, however, eventually induce a change in our no less rigorous social conceptions.

We need, therefore, to consider seriously and appreciatively, the problem confronting the American farmer and those who are trying to help him. Crop control and drought, doing something about it, and letting things alone, are but reflections of a deep-seated paradox; a paradox which not only has for over a century confused the physical and biological sciences, but also goes back further into the fundamental contradiction of the totem and medicine-man conceptions of primitive civilization.

Renaissance v. Enlightenment

People may justly wonder whether such involved ideas affect the farmer, much less are consciously recognized by him. We would do well, however, not to underestimate his ability to think about, or at least to feel the pulsations of, issues so pertinent to this welfare. Let us remember the Vermont farmer's statement to Emerson, "I like that feller, Plato; he has some of my ideas." And so with the next issue which permeates American thought; an issue not quite so fundamental, but almost as old.

The closing years, or centuries, of the Middle Ages were marked by an era, known as the Renaissance, some of the spirit of which persists to this day. As the name implied, it was a rebirth of learning, stimulated in part by the fall of Constantinople and the flight of her scholars throughout western Europe. In part it was also due to the opening up of new trade routes to the East, following the Crusades and the tastes for spices, fruits, fine textiles, and other luxuries, that has been developed by these rascalion soldiers of the Lord. Gunpowder, the navigator's compass, and the printing press, also contributed to the intellectual ferment. And the great period of discovery and exploration which soon followed, especially of the American continent, opened up men's minds to things never seen or heard before. The luxuriance of life, its adventurous character, and the almost unlimited opportunities afforded for creative activity, marked this great period of Western Civilization. For America, the Renaissance meant colonization and the great westward treks across our continent. Here, if you please, was born our "rugged individualism," our "pioneer spirit"; and though our "frontier" was a physical one, the historian has not yet had a chance to estimate its full effects on our legislation, our humor, our type of democracy, our economic ideas, and our ingrained love of nature. It was the spirit of the Renaissance that wrote our Declaration of Independence, and incorporated in it that resounding phrase, "life, liberty, and the pursuit of happiness."

But it was the spirit of the later Enlightenment period which wrote the Constitution of the United States and transformed that resounding phrase

of the Declaration into, "life, liberty, and property." Instead of the ebullient emotion and the creative activity which dominated the Renaissance, reason and orderliness became the keynotes of the Enlightenment. Men were no less optimists; indeed, they became perfectionists. Not only did the "fathers" incorporate into the preamble of the Constitution the purpose, "to form a more perfect Union," but we have ever regarded that document as the "greatest instrument ever struck off at a single time by the brain and hand of man." And this attitude closely reflected the prevailing attitudes in France and England. In the latter, as we shall see later, the results were noticeable chiefly in the development of economic doctrine; in France, this attitude culminated in the Civil Code. Both were attempts to establish in the social world the order and harmony of the astronomical world. The federation of the American Colonies was in effect quite similar to the cosmopolitan ideas of Voltaire and Goethe; the constitutional powers of government were as nicely balanced in their orbits as are the planets. All of which harked back fundamentally to the attitude which characterized the Enlightenment period, that the natural and social worlds were intelligible, that rational knowledge could be reduced to the printed page, and that words could be used as instruments of social control so as to insure the millennium within the span of a generation.

Perhaps there is no clear-cut cleavage between the basic presumptions of the Renaissance and the Enlightenment. But there was a difference in spirit. The Renaissance was in one sense unrestrained spirit; whereas the Enlightenment was essentially disciplined reason, and frequently became the letter which "killeth the spirit." The worship of the Constitution, and the reverence for statutory law, are imprints of the Enlightenment on our national character that comport with the fatalism inherited from the physical sciences; and that combination alone may have overwhelmed the more pragmatic heritage of the biological and technological sciences and the more rugged features of our pioneering spirit. But there was something more. The Renaissance contained an atavistic germ that was as sobering as was the hereditary factor in evolution. This becomes apparent when we consider the various facets of the Renaissance--the "three R's": The Renaissance, the Reformation, and the Revolution. The Renaissance, strictly defined, that is, its artistic phase, was essentially a return to classical standards. In art, the functional Gothic arch deferred once again to Greek and Roman models; and realism in painting meant not merely realistic portrayal, but significant symbolism based on nature's own objects--the realism of the Platonic idea, or of the Aristotelian category, if you please. In religion, the Reformation meant a reaction against the evolving doctrine of the Catholic Church, and a return to orthodoxy based on a direct reading of the original Scriptures--in the vernacular. And in political affairs, the French Revolution meant not a break with the past--with the immediate past, yes, where everywhere "man was in chains"; but not with the remote past, for what was basically desired was that man's primitive or "natural state" of liberty be restored. And much of this ideology appeared in our own Declaration of Independence. And as we review these various longings of mankind during the Renaissance--"back to nature," "back to the Bible," "back to Greece and Rome"--we begin to recognize the similarity of other more recent longings, "back to the Constitution," "back to the three R's in education," "back to the good old days."

And now we are on familiar ground again and see how the welter of Renaissance ideas following the medieval period, and mingling with those of the Enlightenment, still persists as the background of our modern American social thought. And this gives a flavor of conservatism to our thinking which baffles the superficial observer, who fails to see how much our ideas are a part of these broader strains.

It is doubtful if these conflicting currents of social thinking, which characterize Renaissance and Enlightenment, are as powerful in their effects on our thought and behavior as have been those other currents of scientific doctrine culminating in fatalism and pragmatism. And this may be particularly true as regards their influence on the thinking of rural people or their leaders. But the pioneer spirit of the Renaissance is still a strong undercurrent in American farm life; it has only recently been dammed up by the absence of more lands to settle; and it may yet again be fanned into flame by those who seem to think that our rugged individualism is dying out. It is not inconceivable that, if such efforts at resuscitation are successful, we may see applied to our social problems relatively increasing amounts of the pragmatic and creative aptitudes of our people, Renaissance aptitudes which have been more or less recessive in the presence of the more dominant orderly factors of the Enlightenment. It may even be that we in America are destined to amalgamate the best elements of all four of these currents, and become a melting pot of ideas as well as of races.

Laissez-faire Economics v. Bound Economics

1776 marked an important event in economics as well as in American political affairs. For this was the year in which Adam Smith's Wealth of Nations was published. And that year also approximately marks, not the beginning, but the initial speeding up, of the industrial revolution. Clive had but recently conquered India (Plassey was fought in 1757) and started the flow of those "perambulating money bags" which were to enable England to "get the jump" on the rest of the world in organizing herself industrially. In order, therefore, to understand some of our economic perplexities of today, it is necessary to go back to this early period of industrialization, capital formation, and machine invention; especially if we are to appreciate the significance of current economic ideas.

The Hamlet of our play is the present-day exponent of Adam Smith. The indecisions of Hamlet were not Adam Smith's, but those of his followers; few of whom grasped the full significance of his work, and most of whom became confused because they understood only a part of it and then tried to make that part function as a whole doctrine. To understand Adam Smith aright, we must remember that he lived in the intellectual atmosphere of the Enlightenment, especially of Newtonian mechanics; hence his fatalism and his faith in a rational explanation of the universe, economic as well as cosmic. It is this part of Adam Smith which has been almost exclusively developed by the economists. But Adam Smith coupled very closely with this rational-mechanician view the prevailing Deism which passed for religion in those days: the "unseen hand" of a benign power was assumed to function behind the periodicity of the stars and the law of gravitation. And this Beneficent Being, who somehow kept

things right in the physical universe, became, in Adam Smith's economics, a sort of deus ex machina, benignly warding off the exhibition of "tooth and claw" whenever "competition" descended to the "law of the jungle." This "unseen hand," an integral part of Adam Smith's economics, later was to be reduced to a maudlin economic morality and still persists as an anemic business ethics, neither of which is recognized by "scientific" economists as of any importance whatsoever. Indeed, once these fields of morality and ethics have been so devitalized, it is not to be wondered at that they then are dismissed from the scene. If we may be permitted to mix our metaphors, we may say that the Hamlet of economic theory, Adam Smith's followers, observing this desiccated ghost of "competition" and "supply and demand," calls it "Father," without remembering the flesh that once clothed those dry bones. Indeed, Adam Smith's main thesis was not the more robust laissez-faire attack on mercantilism, with its medieval political and guild controls over economic activities. Rather was his main point an anticipation of the biological sciences of the next century; namely, that the "wealth of nations" consisted in the functional organization of society, the selective specialization of industrial and commercial skills, and the adaptation and integration of those parts into organic wholes of productive enterprise. It is in this sense that Adam Smith asserted that the "wealth of nations" consisted, not in the national or individual accumulation of money bags through governmental controls, but rather in the encouragement of the productive capacities of the people. It is only in this broader, organic setting that Adam Smith developed certain mechanical phases of economics which his followers are apt to regard as the whole of the story.

It would be tempting to follow out the significance of this issue, especially as regards the trend toward self-contained regulated nationalism today. But these analogies can readily be made by anyone. What is not so apparent is a situation into which we have gotten ourselves today, a situation which allegedly stems from the classical doctrine which purports to rest on Adam Smith's economic theories. I refer here to the almost exclusive attention of economists to the pricing system. During the World War, the "cost-plus" system of determining prices became a vicious method of profiteering; its worst evil consisting in a wasteful and extravagant management disregarding, or even dishonestly padding, costs. More recently, this same system, exaggerating the importance of costs, and "fixing" prices through monopoly controls, has prevented an industrial expansion that would result from lowering prices and thereby developing markets. The economist may protest that these results are not compatible with the basic price doctrines he espouses. But he forgets that these bad price policies have arisen in part because of his overemphasis on price policy in the first place. Economic theory, by focusing attention on prices, and then on cost accounting as a factor in price policy, has made it an end instead of an instrument, and has pretty well succeeded in making most people cost as well as price conscious. On the one hand, our resulting price consciousness has become frozen into a "fixed-price" concept; but so also did the earlier ardent admirers of the French Revolution soon see it get out of hand and develop into excesses which they then disavowed. On the other hand, our industrialists and our merchants, taught to do so by our economists, walk about with their heads turned exactly 180° degrees from the forward look, to the backward reflection on costs. They

not only, like the "wumpus," don't know where they are going, but their backward pointed faces are painted with fear as they "view with alarm" the stalking spectacle of increasing costs. The disease has spread to labor, with its insistence on high wage rates, resulting in lower annual income and unemployment. And the American farmer and his "friends" in Congress are afflicted with the same disease. Perhaps we need a simple therapeutic analogy. A few years ago a tremendous rainfall in Chicago so flooded the river as to restore it to its "normal" flow, into Lake Michigan near the cribs where were located the intakes of the supply of fresh water for Chicago; they finally succeeded in turning the river around again -- by anchoring boats in its bed and by letting their propellers work at full capacity -- so as to restore its more useful drainage functions and its ultimate flow into the Mississippi River system. So, also, do our economic ideas need to be turned around, away from an exclusive attention to cost-analysis and fixed-price objectives, into more positive and creative channels. The analogy may even be made to walk on all fours; for, even if the river did have a "natural" flow into the lake, that "normal" condition could well be interfered with by artificial means, in order that its more beneficial functions could be performed for society. Economists, with their mechanistic fatalism, need to learn, as Professor Corwin has pointed out, that even the law of gravitation can be thwarted by a pair of suspenders or a belt.

This reorientation in economic thinking was attempted by the "Austrian School" of economists during the latter part of the nineteenth century. What is the basis of economic value? they asked. And they gave a psychological answer: It is human wants and desires. Instead, however, of linking demand with supply as a correlative factor in an economic mechanics, they focused attention on demand and made supply an instrumental factor. It is not an exaggeration to say that this reorientation of economic thinking was commensurate in scope with the complete reorganization of astronomical thinking effected by Copernicus, when he shifted the center of the universe from the earth to the sun. It reflects human thinking at its best: as in mechanical invention, when, for example, the cotton gin picked the cotton from the seeds, instead of the seeds from the cotton; or the sewing machine, where the eye of the needle was transferred to the pointed end; or the telephone, where the make-and-break-circuit idea of the telegraph was finally given up and supplanted by a continuous electric current with varying resistances. Our industrial leaders give lip service to the implied economic principles: of focusing chief attention on market analysis, and following this by a courageous faith in reducing prices in order to stimulate increased consumption. Only so can society benefit from the reduced unit costs of mass production, and, incidentally, largely in that direction do increased individual production profits lie. But the behavior of industrialists belies their words. Can the American farmer be made to see the light? Only, it may be answered, by turning his ideas on the subject completely around, from a cost-accounting and cost-plus complex, to an emphasis on market analysis and consumer demand, especially foreign markets; with production adjustment, farm management, and soil conservation then to be employed as instruments, and not as ends. This problem of getting farm folks to see the economic situation in a broader and reorganized perspective, is one of the most important agricultural problems of the day. Who knows but that the successful solution of that problem -- and it is

surprisingly well on its way among farmers -- may carry the germ of an idea which may profoundly affect the thinking of our industrial groups, of our legislators, and perhaps even of people abroad.

Just one hundred years ago an itinerant New England preacher, Orville Dewey, was trying to make religion function in current professional and business life. Instead of making economics conform to some theological dogma, however, he started out with the simple economic premise, that "a thing is worth what it will fetch." About this simple, but fundamental and pregnant, concept, he built his sermons on fair trade and usury, labor relations and public policy. He is yet a voice crying in the economic wilderness. But then, there are still some people who think that the world is flat! Indeed, common sense and experience bear them out! The laissez-faire doctrine, originally only a part of Adam Smith's economic theory, has not only come to dominate the ideas of his followers; it has also, through an undue attention to price economics and cost accounting, made of economics a rigid system which can no longer play a part in the organic functioning of society. A reorientation in our thinking has long been due. Once it is accomplished, we may then be ready for those wider prospects now being opened up by the Brookings Institution. And note that their attack on the problem of the distribution of the national income restores the broader objectives of Adam Smith's Wealth of Nations.

Materialism v. the Cultural Life

We now approach the most difficult problem of all. And even more difficult is the discussion of it, for it lends itself so easily to sentimentalism and meaningless words. Have we, in these United States of America, become so steeped in materialism as to have no place for the things of the spirit -- other than religious pathologies or restrictive moralisms? Do we have a social soil which, although it may not yet have produced a culture, may contain elements of nourishment for a life of the spirit? Are these two apparently conflicting objectives compatible?

Our early history expressed the prevailing spirit of the Renaissance, but it exhausted itself in behavior, rather than in thought or spirit: in westward tides of migration, pioneering ventures in new lands, exploiting forests and mines, waterways and soil. Patriotic spirit there was in abundance, but rugged individualism was the order of the day, and our society was largely the sum total of individual parts; it had no organic structure. Let not this characterization be interpreted as adverse criticism, or as castigation. For the Greeks were likewise highly individualistic, and the flourishing periods of the Middle Ages, as well as of the Renaissance, were also largely so. So, also, is the wildness of undisciplined youth. We have now, however, socially come to man's estate; are we prepared to put aside childish things? Not only is there danger of our becoming a Peter Pan nation, never growing up, but we may also become a nation of Jack Horners, ever looking backward with pride and vanity and self-esteem. Our materialistic past is not the difficulty. Greek thinking was as well expressed in public buildings as it was in drama or philosophy. The Roman aqueduct, and his military organization, were his thoughts, as well as his legal system. So also must we

view the feudal and military systems of the Middle Ages, their monastic orders and cathedrals, their industrial and merchant guilds. And so also must we view the mastery of our physical continent, the creation of a unique form of government, the organization of civic and economic units. These activities represent our intellectual and spiritual life as well as do books and plays and paintings.

And this extensive development of our country in due course gave way to equally praiseworthy intensive activities, consolidating the gains earlier won. The improvement of industrial and agricultural technique, largely through the work of the engineering and agricultural colleges, not only enabled us to follow that ingrained urge of a Bible-reading people, "to make two blades of grass grow where only one grew before," but also, unfortunately, caused us too frequently to prevent both grass and trees ever again growing where once they grew before. Our research agencies have opened up the widest horizons of science, as well as its most intimate secrets. Now the tragedy of this lies not so much in the predicament of producing more than we can distribute, or even of having our scientific technique run far ahead of our social judgments. But we need even more seriously to ask, have we become so steeped in our traditional American "push" of materially productive enterprise, as to become insensitive to the "pull" of cosmos or of spiritual craving, an amplification of the same reversal of supply and demand in our economic attitudes? We seem at least to have witnessed the rise of the farmer and his wife from a life of drudgery to a conception of economic and political factors. We are even in the presence of a mental miracle, wherein farm folks are perceiving that net farm income, and not high prices, is the sound objective. But what is this income for? Is it merely to buy more land, more equipment, more livestock? Or is it to build better homes, provide better medical and educational facilities, more recreation and leisure in which to appreciate the arts or perhaps even to engage in producing them? Is it alien to our efforts as a Department of Agriculture, or as an Association of Land-Grant Colleges and Universities, to hold an Exhibit of Rural Arts and Crafts such as recently graced our patio? Wasn't that magnificent and beautiful exhibit as much a part of our nature as a corn-hog program, or the fighting of insects, or the development of agricultural research? Could you look at the faces of those humble craftsmen, in the photographic enlargements, and not feel the joy they must have had in coordinating hand and foot and eye to produce something useful, something to supplement their meager farm income, but also something with the added touch of the beautiful? And need we test the worth of all those efforts solely by the utility or even beauty of the objects they produced? Did not those efforts, however far they fell short of the mark, make those amateur craftsmen appreciate all the more the far fewer, choicer, works of the masters? And isn't the wide dissemination, among our rural people, of the appreciation of the beautiful as important in a democratic society as an equally wide dissemination of information and judgment?

Those who have read Taussig's Inventors and Money Makers will recall his interesting speculations regarding Samuel F. B. Morse, the inventor of the telegraph. For Morse, early giving promise of inventive genius, later in his life, when he became absorbed in the practical affairs of the business

organizations built around his earlier patents; never again produced a first-rate invention. Are these two things incompatible? Cannot we have both the life of the spirit and the practical life through which we provide man's wherewithal? Just a short while ago there died in Paris the daughter of Samuel F. B. Morse. Just a few years ago, this same daughter of one of our foremost inventors declared in an interview that her father had believed that his invention would lead to a new era of peace and prosperity by increasing communication and comprehension among the peoples of the earth. "But somehow," she added plaintively, "comprehension does not seem to have followed the wake of development in the means of communication. My voice can be carried between the two countries I love so much, France and America. But I wonder if comprehension was not easier when everybody took more time to think. Perhaps father would have been wise if he had remained an artist." Parenthetically, this woman was the mother of two sons; is it significant that one of them is a pianist and composer, and the other a painter? Now, the way in which we reflect on that conclusion will, to my notion, be the test of our ability to meet this fourth issue which is being presented to you. Are we going to look back with regret over the past centuries of scientific and technological developments, and of practical achievements in agriculture, and wish that they had never occurred? Shall we resignedly or pessimistically watch the machine displace man, to increase the hours of labor of some and to throw many others out of employment; or are we going to view the machine as an instrument for lightening the human burden, for increasing man's consumption and enjoyment of the increased goods it can make available, and for giving men and women the leisure time to enjoy the fruits of modern civilization and perhaps even to contribute to its creative activities? Shall we discontinue our weather and crop observations, and the highly complicated statistical organizations now set up to analyze them, simply because we haven't sense enough to know what to do with the results when we get them; or shall we regard these operations as instruments for extending still further the realm of knowledge, and try as intelligent human beings to keep the scope and quality of our judgments at least on a par with our information? Some individuals, by possessing inside information and by using it intelligently and selfishly, have advanced their own interests appreciably. Why cannot our allegedly "democratic" society, by the wide dissemination of information vested with a public interest, organize its social judgments so as to make this information serve the general welfare?

Not only will this employment of our faculties test our ability to develop the cultural values of life; but it will also discover to us whether we can do that more difficult thing, namely, balance properly our efforts to live the material life effectively as well as to live well the life of the spirit. For until we discover that form of wisdom, we are but half living but half thinking. To rest our cultural life on a sound practical basis, to discover in the particular the significance of the universal, that is our final task.

WHAT SOCIAL AND ECONOMIC FACTS ARE NEEDED
IN BUILDING A SOUND RURAL PROGRAM?

Talks by: Dr. Louis H. Bean -- Pps. 1-13--29-33
Dr. O. C. Stine -- " 14-21
Miss Madge J. Reese-- " 21-24

(Stenographic notes,
Pps. 1-33, inc.)

	page
DR. LOUIS H. BEAN	1
DR. O. C. STINE	14
MISS MADGE J. REESE	21
DR. BEAN	29
DR. C. E. BREEM	33
MR. K. J. NICHOLSON	52

PROGRAM FOR EXTENSION STAFF CONFERENCE

December 15, 1937

2:00 p. m.

Room 1039 - - - - South Building

C. B. SMITH, Presiding.

THE PRESIDING OFFICER: We are happy to have as the first speaker this afternoon Mr. Louis H. Bean. Mr. Bean has a B.A. from the University of Rochester, New ^{York} ~~Hampshire~~; M.B.A. from the Graduate School Business Administration, Harvard University; he has been with the Department about 15 years, and is Economic Adviser of the A.A.A.

DR. LOUIS H. BEAN: None of the things that Mr. Smith has just said qualify me for this particular half hour talk. I do not know why I am on this subject at all because the type of the talk is quite different from my usual line of activity. Probably I had better give you the real reason why I am here today. The real reason is that I procrastinated a little too long in replying to Dr. Warburton's inquiry whether I would talk on that subject, and before I made up my mind I got a letter from Mr. Smith thanking me for my courteous acceptance. So, please do not be surprised if I leave the subject of facts that are necessary in making a proper kind, setting up the proper kind of a program, essential facts, I will leave that problem to Dr. Stine to handle before the hour is up. But, since I suppose you do not want to let the time slip that way, perhaps I had better

attempt to say a few words.

The subject is so broad that almost anything can be said under it, and if one were attempting to say the necessary things I am afraid a good part of that would be in the nature of material and the facts which all of you are acquainted with or all of you are dealing with, and, if not, you will be dealing with them in the next year or two as the department work in fact gathering, fact interpretation is extended. In thinking over the field it seems to me that there are certain areas, certain parts of our information that are not adequately developed and that volume of information we may perhaps classify as information that has to do with the way we live, the way we earn our livings, the way we spend our incomes. The other day I happened to be going through Dr. Carl Taylor's office, and picked up this illustration on this chart. It is the usual chart of the United States in very black sections, as shown in the southern states, some black areas down in Arizona and New Mexico, scattered, some black areas away up here in the northwest, in the Minnesota territory. These black areas are the areas where more than 50 percent of the farms get less than \$600 income, gross income. Now, this type of information, which happens to come out of the 1929 census, I think will be popularized more and more as years go on and we are going to become more and more conscious of this type of facts. Because of these facts there is a great deal to be learned. That is we need to know why are these black areas where they are, what can be done to change these black areas into gray or white. That is the areas of income, say from \$1,000 per farm instead

of less than \$600, to what extent these areas can be changed in their income colors by the various types of activities that are now going on, and are being projected for the next two or three or four years. A number of surveys have been made during the past two or three years that will supplement this information which is contained in the 1929 census, but, more and more of this type of information I think will have to be gathered together and studied and interpreted. I do not need to suggest that what we need is more and more surveys because I think there are probably all of the surveys already extant that any of us if we live to be one hundred years old will be able to digest and interpret for our own benefit and for the benefit of the next generation. Nevertheless there are, in spite of numerous surveys, there are still many gaps in our information, and what may be said about agriculture I think can equally be said about non-agricultural groups, that there is still a great deal to be learned as to how the other half of the United States, or the other two-thirds of the nation lives in terms of income and in terms of expenditures. But, until those basic patterns are properly understood we will not be getting the right kind of emphasis on our productive activities.

Another type of information that we need to become more conscious of, not that it does not exist in the large sense, but I do not think enough of us are aware of some of the implications of the set of facts that I am about to refer to. Take this single fact of 18 million bales of cotton or 18-3/4 millions of bales produced in the South this year. As at the outset of that take the President's

statement in his inaugural address last January that a third of the population is ill clad. Now, some kind of a bridge needs to be made between these two facts. I assume the statement about a third of the population being ill clad is a fact, call it 30 percent or call it one-fourth of the population, it really does not matter, so that we had for these two basic facts a surplus production, abundant production more than any anti-scarcity person could wish for, and on the other hand that a lot more of this particular goods could be used. Now, why don't we get this surplus cotton on to the backs of a third of the population that presumably needs it. Now, between those two poles there is a long array of problems, a long array of facts that many of us, most of us have not been dealing with. Suppose this were a group of not Extension people and research people like ourselves, but suppose this were a group of persons representing farmers and middlemen that handle the cotton crop and the processors and the millers and perhaps a few representatives of the export trades, representatives of the retail trades, and a few perhaps social workers and labor leaders, and suppose that question were put to them -- why don't these six or seven million bales of excess production move into consumption? And what answer would they give and what facts would they discuss? Would it be high ginning cost in the South, would it be high freight rates, would it be the costliness of getting that amount of cotton converted into a shirt, or would it be about the costliness in the way of labor and machinery, or would it be the costliness of distributing the shirt after it is made by the manufacturers?

Where are the bottle necks? What is it that stalls these million bales from moving into the channels where they should be. Well, there is a broad area of fact, Mr. Smith, which I think some of us, and I think it is quite proper for Extension workers to be chewing on providing they can get hold of it.

Another set of facts that comes to my mind is material^{ly}/dealing with the concept of stability and security in agriculture. We have talked a great deal about that in the past few months, past two or three years and I think we are getting some kind of broad notions as to what is involved in getting a little greater stability in agriculture, especially through the activities of the farmers themselves. And the farmers themselves have really only one major contribution to make in stabilizing their own economic conditions and that contribution is through the control of their production, and by control I do not mean any specific kind that you become acquainted with, but it is the element of output that the farmers are responsible for, can deal with, and the element of price, in so far as it is the resultant of production is also controllable by the farmer and price, it so happens, is affected by a great deal more than merely what the farmer, or the farmers as a group do. In the aggregate farming activity in terms of output tends to be a pretty stable thing. The insecurity or the instability of our agricultural situation is not attributable to agricultural output as an aggregate activity of six million farms. The instability that you do find is the instability in regions, in commodities, in the preparation of production for the foreign markets as against the proportion of production for domestic markets, and in

that area it seems to me farmers are better set than they have been in the past for making their particular contributions, whether it is through the present Soil Conservation Act, or whether it is through some new Act or device that Congress will be putting out this session is immaterial. One suggestion is that the farmers in so far as they are confronted by the problem of economic security can contribute something to stabilize the agricultural conditions through handling their production in some more systematic fashion. Now, it has been pointed out several times, and if you are acquainted with the economic literature, especially the Outlook Reports and things of that sort, that the income of agriculture is determined as much, if not more at times by changes in demand conditions and by changes in supply, and that immediately gives us an interest, not a secondary interest, but a primary interest in stability of consumer purchasing power. I probably am not overstating the fact if I say that half of agriculture is clearly geared to the fluctuations in the purchasing power of consumers and that you can, that Extension Agencies can work a lifetime and not make a great dent in terms of raising the level of farm income because of the limitation placed upon their activity by these external facts or fluctuations in the purchasing power of consumers. Now, you can do a great deal in the way of changing conditions in the home, changing conditions on the farm, the way the farm is run, but if you are attempting to raise the level of income or to point out the fluctuations in it then for half of agriculture, the problem is not in the field that Extension workers are now working in, but on the other side of the fence, which we will call the industrial side, and

it is for that reason that you will find something said the other day somewhere or other that the farm problem is half, to the extent of about 50 percent controllable by what the farmers do and the other half is a matter of industrial activity and foreign trade conditions. Now, as we pursue this thought of stability in agriculture through the device of the ever normal granary, which basically is really nothing more than an effort to make production more stable and make stocks more stable, but if we pursue that particular line with the various means of attaining it, we cannot help but associate with that the hope that industry could in some way stabilize its activity a little more than it has been able to do in the past. Now, that is simply this, so let us take it up for a minute or two to see whether it is as simple as it looks. What I am suggesting is that planners and others have suggested that we need to plan our economy so we are doing it in agriculture and we see how it can be done if Congress will permit farmers to do it, we can see the basic outlines of the thing. But, what do we see in the technique in the job that is involved in the stabilization of industry, and if it is not going too far might we suggest in line with the suggestion in the title of the talk, I would like to say a few words about this thing we call the business cycle and what I want to say is in line with the remark that Carl Taeusch made this morning that economists in the past have discussed economics chiefly in terms of prices and costs and have not spent enough attention on the basic problem of production. If economists have spent 150 years that have elapsed since Adam Smith studying ways and means of regularizing the flow of production, instead of

theorizing as much as they have done about the relation of prices and cost and value concepts and margin utility concepts and all those other things, I think we might have been further along in this task, if it is a task, of the next generation to stabilize, to regularize the increasing flow of industrial output. Thinking along these lines the other day I decided that I would once and for all take the business cycle in about the same way that we have taken the volume of agricultural production, and examine it in terms of its major internal characteristics, that is physical characteristics. I think most of us, when we talk about agricultural output, have some notion as to what makes up the total. We know there is a hog production cycle in there, we know there are annual fluctuations in our tree crops, we know that there are some kind of fluctuations in cotton and of wheat and that all of those add up to the same kind of a total which we call the total volume of farm production, but how many of us have taken time to examine the internals of this thing that we call the business cycle, the thing which went down in 1921 and came back in 1923, and then came down in 1924, and reached another peak in 1926, and came down in 1927 and reached another peak in 1929, and, then, reached a low point in 1932, and this more recent peak the spring of this year. At the present time we are on a down side of a cycle and are guessing and hoping and praying perhaps that we are about at the low point of that recession. What is the inside of that thing? What does it look ~~that~~ like? If we are going to plan this industrial segment of industry because it is so essential to stability in agricul-

tural income, what is it that we are going to plan, and as you open up this thing which we call the business cycle it is surprising how few items in that aggregate look like this business cycle that we talk about. We find, for example, and what I am talking about now, I say the Federal Research Board indicates the industrial activity which is consumption of most of the industrial output figures that are available, currently available, what we find in that aggregate are types of activity that fall in, several, perhaps four or five or six broad groups and they are not at all alike. There is one group of industrial activity which is very definitely related to agriculture, say the meat packing industry, the flour milling industry, and, to a large extent the cotton goods industry. These industries that process agricultural products are related to agriculture and that if we ever succeed in getting a greater degree of stability in agricultural output then you automatically create a greater degree of stability in these industries that process agricultural production. In other words, that part of industrial activity which is the outgrowth of farming activity does not need to worry the economic planner a great deal because if Secretary Wallace's ideas ever get to a point where they have an effect on stabilizing farm output, then these industries will receive the benefit of that particular bit of planning. There is another group of industrials, like the cement industry, the lumber industry, the lead industry, which does not look anything like this industry that I have mentioned already. That is, these aren't geared to farming, these industries are geared to an entirely different kind of economic cycle, and that is the building cycle/

runs something like 15, 18, or 20 years, so that if you want to stabilize the activity or purchasing power of the people associated with these industries, say lumber and lead and cement and a few others of that sort, then you must work with a building cycle. And, so, there is now a program for lifting the building activity to a more nearly normal level, and if the housing bill is ever passed and does its work before long somebody will become concerned with the problem of preventing that cycle from going down to a low point sometime in the middle of 1940. So that economic planning for these groups of industry that I have just mentioned depends upon planning the building cycle out of existence or more nearly regularizing it.

There is another group of industrial fluctuations which again is quite different from these two that I have mentioned. They are the industries that are either perpetuating a long-time trend with very little fluctuation in it, or a long-time downward trend. Take tobacco, for example, in cigarettes we have a persistent upward rate of growth. It is charted by this depression of 1931-1932, but the long time history of that for the past generation or so has been a continuous expansion, and I would say that that industry does not need to worry the economic planner a great deal, it will ride along that way until women stop smoking, if they ever do. Take the cigar part of that industry, while that is pursuing a downward course, I say that we do not need to plan that industry a great deal.

There is another group of industries which is basically a problem in the stability of which is basically a problem, a problem

of technology, the fuel industries, the power industries, the electric light product has been going up at a fairly persistent rate. There are no great fluctuations in it. Oil consumption and production has been going up, not in terms of these business fluctuations, because there you have a fairly steady demand because we have an increasing number of cars that we are now riding in. Now, we come finally to the group of industries that really give shape to this business cycle, this thing which swings up and down as I sketched a moment ago and which gives us our fluctuations in unemployment. And in these I find only four or five that show persistently the characteristics of what we have called the business cycle. This last group (those of you who can see this) contains the following industries, automobiles, coke, iron ore, pig iron, steel, bituminous coal, and there are also in here (indicating) zinc and tin, but they are all rather minor importance. These are about the only ones in this index that we call industrial activity of the country, that look like the total industrial activity of the country. All the others have peculiar features of their own. Now, does this suggest anything to us? Does it suggest that if we want industrial stability that we ought to concentrate in these few industries? Should not we regularize the automobile industry and the iron and steel industry, and if we do, then, won't we go a great ways in ironing out the business cycle because these are the things which give us the business cycle. I leave that as a very simple question, but perhaps I ought to throw out one interesting fact which will help you visualize this problem that it is not as simple as it seems to appear when you have examined the internals of industrial activity.

Let us assume for a moment that that is our conclusion, that we can wipe out this business cycle by concentrating on these few industries that gives this great instability. What is our next move? Well, I do not think that there is any next move because the chief culprit in here seems to be automobiles and automobile production is in the hands of three men or in the hands of three boards of directors, if you please, and 90 percent of all the automobiles are produced by Ford, by Chrysler, and by General Motors, so that the economic planner, ~~mm~~ beyond this particular point of merely statistical research, is confronted with the very human, with the very complicated problem of concentration of control of an industry, of a highly competitive industry in the hands of a very few people who do not or who must not get together. I do not know what the situation is, whether it is that they do not or that they must not. I rather suspect that both statements apply. They must not because if they do, then, they are subject to our anti-trust laws. They do not because they are probably very highly competitive units -- not probably, but we know that they are very highly competitive units. So, if I have been guilty of suggesting to you that it is very easy to delimit the area or effort to stabilize the business cycle, I hope I have countered that by this suggestion that after all you have this very real problem of handling, or dealing with the problem of competition and the problem of concentration. Incidentally this is a matter of general interest. When the activities of the six million farmers finally add up in to the retail cash register, which in 1929 ground out about 49 or 50 billion dollars

we found that about 20 percent of that money, retail expenditures, rests on the activity of farmers, the production of food and its distribution. At the other extremes you have a smaller proportion of the consumers income, roughly 19 percent in 1923, or rather a smaller proportion of total retail expenditures which you can trace to the activities of these three large corporations, -- Ford, Chrysler, and General Motors, because, as consumers, we spend through retail channels approximately 19 percent of all retail expenditures for automobiles and things that go with automobiles in the way of tires, and gasoline and services. Well, these are some of the facts that interest me for the moment as we attempt to look on to the industrial side of the economic field and attempt to visualize what might be the counter part of economic planning for industry such as we are attempting to do in agriculture. And, I will, I think, close this rambling discussion by showing you the opposites of this series of industrial activities which are the so-called business cycle. This one (indicating) is industries that take agricultural products and process them. Here (indicating) you have the one effect of the drouth of 1934, and here (indicating) you have another effect of the same drouth. In one case you get hectic activity at the top and the other case you get hectic activity at the bottom, but in general there is no such course of events in these industries as you find in the more industrial types of production.

THE PRESIDING OFFICER: You have broadened our thinking a whole lot, Mr. Bean, and we are under obligation to you. We will

open the discussion, and, by the way, before we call on Dr. Stine, you may write out your questions as we go along as they occur to you, and then the committee will gather them up, and after Dr. Stine speaks we will take them up. Dr. Stine is a graduate of Ohio University, got his B.S. in Wisconsin, some work in Harvard and Chicago, and is Chief of the Division of Statistics and Historical Research and he will now open the discussion for us.

DR. O. C. STINE: Ladies and gentlemen. I hope, I wish that I could feel that I would not ramble any more than Mr. Bean did up until the last few sentences. He opened up, I think, very cleverly, and went straight through, to a discussion of the problems in stability and security. In the last two remarks I think he rambled quite a bit. So, let me say a word about the rambling in the end here, and then go back and discuss the subject at another angle today. Why do the automobile makers make too many automobiles at one time and then quit? Because farmers buy them too fast, go in debt too much and then have to quit buying. That is one angle to it.

DR. BEAN: But not the most important one.

DR. STINE: (Continuing) But it is a significant one, and the same is true of the workers in the cities. We do not do things steadily, when we get to feeling good we go out and take on burdens that are too heavy. We do not count, do not carefully enough weigh the future. We do not size up our income closely enough, and say, how far can we go and no farther. We get excited, prices are rising, land values are rising, and we can buy anything, and we buy automobiles and

refrigerators and we make contracts with electric light men to bring in the line and we get heavily in debt and then we have to stop. We cannot go any farther, and down comes the house. Now, how are we going to avoid that? It seems we are getting worse all the time. I think Mr. Bean's analysis will bear me out in that we are getting worse all the time. Well, I am not going to tell you exactly how to get out of it, but I am making a suggestion that I think we have to, I think we have to widen our general knowledge of these economic movements and ideas of general economics. We have to widen our knowledge of economics. I would emphasize this angle of the thing. Instead of planning for the farmer, get him to plan more in the light of the knowledge of the things that make these things or cause these things. That is, farmers must know more about the economics of agricultural production, of marketing agricultural products, the economics of ~~the~~ industry as well as of agriculture. So, we come to the point that is being laid down to us of looking over the fence to the other fellow and his activities and the only practical way you can do that is, as I see it, is that you help to educate the farmer citizenship of the country to look at those problems intelligently. Now, one of the things we have got to get away from is the notion that the market is made by somebody. I had handed to me the other day a memorandum which had in it one paragraph: "The trouble with hog prices now is that the packers have certain ideas." I said it is bad, as for the consumer even to get that idea, and I think it would be because there are too many people either caught off guard or do not know any better than to

believe that somebody makes these things. They know all about it, they make the prices. That was the slip in this particular sentence of the man who brought it out. Now, it was emphasizing one angle of the hog price situation. Now, we are confronted with all kinds of criticisms of the Department of Agriculture, from the people out in the country because they believe that the price of cotton is down because you forecasted a big crop, if you had just kept still, many people have the opinion if you had just kept still, why, of course, we would have marketed that cotton crop, nobody would have known the difference if you hadn't told them so. To be more specific, we are being criticized all over the country right now on account of the rather modest statements about apple prices in New York City. I noticed today in looking over the speeches made in the Senate and in the House a rather lengthy statement by Senator Nye, criticizing the Department of Agriculture for the Outlook statement on wheat. Last year's wheat crop might be a great big one. Why, he said, that makes the prices of wheat. The Department of Agriculture says there will be so much wheat next year and that is going to make the price of wheat. Well, what I am trying to say is simply this that the people in the country and the United States Senate and House and many people around here still think of these great movements, of these problems in terms of personalities, what the President says is so, and makes the administration or makes the next four years' business. Now, we people got out here and helped the President ^{win} ~~when~~ the election, two years ago, telling him that he had done great things. We so easily

get caught in the psychology of the situation, and we help people whoop up imaginary responsibility and burdens and loads that they have carried, things that they have done.

Now, let us get down and take the air^{out}/of these things, uncover them, and look at the real economic problems, the real facts in the situation instead of these mythological things, these psychological forces that make things go. I think there is where we need to begin looking at the problems on the other side of the fence and see if we cannot get more straightly at the particular problem. Now, what I wanted to say was something like this, in general, without regard to what Dr. Bean has said. In the first place, what are facts? Facts are not just bushels, or relationships. Again we are told from time to time, "it is all right to report the number of bushels that has been produced, but do not say anything about prices." I was told we ought to forget about that. We are concerned with relationships as much as specific and concrete facts. We need, I think, to emphasize to the people generally the importance of looking ahead rather than backward, forecasting, and the importance of planning next year's production in the light of what you can expect next year. Now, let me just turn to a problem on that score, for example, take this year's cotton crop. We had 18 billion bales of cotton or more, something, nearly 19 billion bales of cotton and there is much being said about the present situation with respect to the price of cotton being low. If I mistake not, next year's cotton situation will be much worse than this. It cannot be otherwise because you have enough cotton produced this year to carry you through next year without producing any and

whatever you produce next year you cannot sell for much because you have this year's cotton crop to use up. Now, you do not hear much about that. People are not looking ahead very far in that matter. Now, you take the present recession, well, you find a discussion of the present situation, of course, in the Outlook Report, there is a general tendency of the public around here to want to keep still about that; that is not very nice to talk about it; maybe if you talk about it you make it worse. Now, the only condition in which you can make it worse by talking about it is that there is somebody that is big enough that swings the whole thing, and he can decide what to do about it, and that is not true. We ought to come out and frankly face that situation, that the cotton crop situation this year makes it almost impossible to raise next year's income from cotton. The situation is such that next year's cotton market can hardly possibly be equal to what it is this year. Let us discuss those things more freely, make them more definite and I think you will get a much more intelligent discussion of the problems in the Senate and House today if those things will be brought out squarely and fairly so you can see it all through.

Now, let us take what I am saying about the facts. Facts are relative things, they relate to all kinds and all kind of conditions all the time. Another thing we ought to face I think is this. We are not, while we are greatly concerned with income in terms of dollars and cents, we ought to be primarily concerned with welfare. Now, it does not matter that the farm, the average farm income of the country per family is only \$800, we will say, and of all other families

is \$1,000, but it is what you get for the \$800 and what you get for the \$1,000. Some day I think we will get around to talking about that in our objectives, in our agricultural policy. We do get to it now, but not very vigorously. We do not think very much about it. We need to study how to make life on the farm secure and also to be able to secure for the farm family the things that make life comfortable and give the family opportunity to develop, an opportunity for education and health. Those are the things that count. Not just dollars. I saw the other day an interesting letter from a newspaper man in North Carolina. He said some ten or fifteen years ago Page, at one time Ambassador to England, came down here and told us frankly what ~~his~~ is the matter with us and did us a lot of good and he said somebody got up and discussed Iowa against North Carolina and he thinks North Carolina is just as well off as Iowa. Now, what information did he want? He wanted some dollars and cents information. I took pride in preparing a statement saying that these dollars and cents is not the real difference in comparison between North Carolina and Iowa. How many children are in school up to a certain age; what is the infant mortality; what is your literacy, percentage of illiteracy; those are the things, and what conditions are your homes in, how many bathrooms, how many electric lighting plants on the farm, those are the things that count. Now, I have, or we have been surveying about everything, going about the country making surveys of all sorts and we have a lot of information. I think we need more coordinated surveys with more direct and national objectives and we have in progress now just that sort of thing. The first ground, I think, can be improved upon.

Let me suggest some things that are going on now on this point. The Home Economics survey made by W.P.A. funds covers farm and village communities in several parts of the United States. Now, those surveys have in them, or that survey has in it the elements that are necessary to analyze the situation with respect to living on the farms and in the villages. They show the distribution of income, they show how the income is spent, and they show how people live. Now, the division of rural life are making a survey of living conditions, I have forgotten the title there, but they are doing something of the same thing. Those two surveys can be coordinated. We found that in the Home Economics survey there is a section of the South that is not well covered. I do not know whether this survey is going to touch that or not, but I hope in the next two or three years we can get together and see that the surveys are developed so you can get a good picture of the United States, of surveys ~~that~~ at scattered points to be made from time to time so you can be informed clearly as to what is happening in the districts. What we need is to get these facts, distribution of income, expenditures and income, and so forth, and study the agricultural policies in relation to it. Is it true, as has been alleged by men that the agricultural program for the past few years has helped those who needed it least and handicapped, in some ways and some measures those who were weakest and tended to demoralize rural communities? I do not know whether that is true or not. At any rate we have not had before this the basic data with which we could analyze that problem, that we could check the agricultural programs that were proposed.

I want to say one other thing in that connection. It seems to me we should be treating rural communities as a unit, that we should not stop at the edge of the village and the small town with the Extension Service. The Extension Service in the Department is a great educational institution, it reaches all parts of the United States only, but it is the tendency at present to stop with the farm and not go into the village and the village is a part of the farm and many small towns are there mainly as service centers for farmers. The life on the farm and the life of these village centers are becoming more and more intertwined, more closely together and it seems to me we ought to look on them as a part of our National policy, we ought to look forward to extending the Extension Service to it includes the villages and small towns at least associated with the farm communities.

THE PRESIDING OFFICER: Of course, we do go into the villages some and small towns but we do not want to discuss that right now. Miss Reese of our own Service, from the University of Missouri, formerly Home Demonstration leader in Alabama, will continue the discussion at this time.

MISS MADGE J. REESE: Seven years ago I attended a meeting of the American Country Life Association at Madison, Wisconsin. It was a fine program and there was quite a number of noted economists on the program, and largely the whole week was given over to the discussion of economic conditions and situations in that particular year and Liberty Hyde Bailey was the President of the American Home Life Association and in his address he told us this, that that day a dapper little newspaper reporter had rushed up to him with his pencil and

pad and said: "Are you an economist?" Dr. Bailey said: "No, I am a congregationalist." I was born into a family church of congregationalists, but it has been a lot of fun for several years to try to feel a way to match with economists. I think all Extension Workers are economists because an Extension program itself basically is economics, but I do feel that we all need to be better economists, that is including the economists and congregationalists as well. I think we Extension people are all workers, are all conscious of the fact and have a rather, at least a superficial understanding that there are mutual problems between agriculture and business and labor, and if there had been the right kind of balance and if there was a right kind of balance at the present time we would not be reading in the newspapers today about the business recession at the present time and I think the Extension Workers, since we have been so closely associated and associated in working with the Agricultural Adjustment Administration, that we all know and know with some understanding that abundance might turn out to be waste because in a way it destroys farm purchasing power and adds to unemployment in the city because we do know that men out of work buy less farm products and we also realize that the business man, when the volume of business falls off, it means less profits for him. Also, if labor and business work together effectively that agriculture benefits, and, on the other hand, if farm products and prices are in balance with city production, capital and labor share in the benefits, so a balanced situation is good for all. Secretary Wallace said this a few days ago in a radio address, and Dr. Bean said the same thing "Only half of the farm

problem is on the land, the other half is in the towns and cities and the foreign nations not buying at the present time." That makes the farm problem, as we have it today, not only a labor problem and a business problem but also an international problem. Now, labor, agriculture and industry must all think more definitely about functioning in a coordinating way. Now, Dr. Bean has said this and a lot more. I take it that Extension Service today has a big responsibility in this, at least we have been told that today several times, we have this responsibility in helping the farmers to have an understanding, a fair understanding of this inter relationship, of this coordination which must exist before labor, agriculture, and industry share fairly in the whole scheme of business today. Now, can we do that, as Extension Workers can we go out and discuss these things with farmers in meetings and otherwise, unless we understand this coordination pretty well ourselves. Now, these simple facts, as I have stated them here, and as Dr. Bean made them very clear, that is not all that we need to know, there is so much ramification, there is so much basis in economics that is back of all this that I doubt whether the majority of Extension Workers ever have had time or necessity in particular to study and understand it, so, I feel that there is much ahead of us as Extension Workers in informing ourselves if we are going to have to carry and we should carry a lot more responsibility in educating the farmer to an understanding.

We, of course, in Extension work are much concerned about the ^{human} elements in this farm economics because after all the final measure of rural progress is found in this better standard of life, both

material and spiritual in the homes of farm people and we grant, if this is to be permanent it must be based on a much greater economic efficiency than at the present time. This seeming dualism of the economic and social arising from our thinking of them more than anything else, thinking of them as two separate, distinct parts of life. I wish those antithesis that Dr. Taeusch put on the board were still there, particularly the last one, materialism and culture of life. Strictly speaking, according to the philosophy that would fit that antithesis, but in reaching our objective we have thought of those things hand in hand and work for them simultaneously. It has not seemed well for us to think of them separately, at least in trying to reach the objective that we set up, but, of course, we do know too that the increasing enjoyment of material goods, we often become aware that they have not, - just read the notices of all the tragedies and unhappiness and divorces and many other things in connection with wealth, so it is not always wealth and material things, they do not always bring better human relationships to which we aspire, but after all, there are few satisfactions of life which do not involve both factors of economic and social. There is no question but what the economic is the limiting factor in most of our rural homes, and I say most, most of our rural homes are, but in the long run the economic and the social are interacting functions of rural development and in Extension work we think of them as developing hand in hand or at least we like to think of them that way.

Dr. Smith, I suppose there is no penalty for the speaker saying a few things about the subjects that are particularly outlined

in the program? Rural progress must, therefore, be achieved through a well rounded program. I think that is the subject. Planning is better than drifting and when we say program we mean planning which is adequate attention to all the more important interests in both the social and economic, and by an intelligent cooperation of farm people themselves and of all agencies and organizations in which each attack a special task but supports the others in making towards a common end. Now, what has been the special task of Extension, in this program, through the years? Well, it has dealt with three things, -- brains, bread and beauty. We were so interested in hearing Secretary Wilson speak this morning, and I have heard him say this in conferences here in the Extension office several times/before, that Extension has a responsibility in discussing with farm people some of the problems and issues of the present day, both economic and otherwise, and we have responsibility in helping farm people to come to an understanding of these many serious problems, and conditions, but he also said, which was very interesting, he said: "I do not know just how far Extension can go in the discussion of things controversial and somewhat political with farm people." Well, none of us know, and I think, we would like to have that question answered by somebody. I do not know whether it can be answered. Perhaps the discussion groups that are experimenting these days will be able to answer it for us. I understand that some of the discussion groups have discussed with farm people, some of these things that are somewhat controversial and some somewhat political, and they report that they did it without any harmful effect, without any particular comeback, that there is a way

of doing those things perhaps, we must learn how to do it. I do agree with Secretary Wallace that it is a responsibility, or at least it is a common responsibility, and perhaps it is a permanent one. Then, we certainly do have a big program when it comes to bread. Of course, there are plenty of people without bread today, but if we were to write up against a score the reasons, I believe it would ~~be~~ help any reason against Extension for the lack of bread today it would sink into great insignificance against Extension in comparison with the reasons that involved so heavily in this National and International situation and conditions and problems. We have worked hard and we are working hard ^{beauty.} on ~~duty.~~ Certainly there is plenty more to be done. The Home Demonstration work and the 4-H Club work we have done, I think an excellent job, in helping farm people make their homes attractive with what they already have. We are helping them to make the most of the few dollars that they have to spend in that direction and also when it comes to personal appearance of the farm family. Now, when it comes to making programs the farm people it seems to me there are three things that Extension people must know and understand, I will not call them facts necessarily, but we must understand and know what this standard or goal of economic efficiency in agriculture we are talking about really is. That involves, of course, an understanding of the National economic welfare as well as the local economic welfare and the production of food/^{which}~~with~~ our Extension people know much about and the ability of farm people to secure or not secure necessities and opportunities as well. It seems to me our whole Agricultural Adjustment program Administration has stood for this one thing that in making up these

adjustment programs they have always taken into consideration the standard of living as a basis for those adjustments in agriculture, in other words, the desired standard of living has determined the use of the land. I think that is a splendid advancement in our program. In the second place, we have to know ourselves what we know, what we mean by standards of living for a particular farm family, not an exaggerated standard, not a false standard, and they vary. The standard in one community may not be the same standard in another community or section of the country at all or every family or farmer. There again are rehabilitations, home rehabilitation clause ~~has~~ have figured that out pretty well on different levels of income.

Then, of course, the third thing that Extension people must have an understanding of and do, and that is the human side, the human welfare is essential to this economic efficiency in agriculture. That is the economic aspect play an important part, -- the economic aspects of health, the economic aspect of education, the economic aspect of sociability, and the economic aspect of beauty or aesthetics. Now, there is not much left to say about the social because I do not separate the two. Certainly it applies all through these economic topics which Extension people must understand and know before they ever apply on their program. Of course, there are social values that must be analyzed in rural life, health, duty, these are all considered in making up this sound program. To be a little more specific, here is what the home demonstration workers and the farm women are considering right now in the State of Oregon. They are having a series of conferences called the Outlook and Program Planning Conferences for

the farm home, and for agriculture, and they are holding one in every county in the State of Oregon. They are on right now and right up to Xmas time, and looking over this it shows that Home Demonstration people are certainly considering a good many things before they are shaping up the Home Demonstration program in any county and that is true in this particular state can be said of many states. They get the information in regard to population in the county, and those records, a lot of those things are in the census, and the land ownership, average cash farm income, value of farm products tabulated by Extension Service in Oregon, value of farm products tabulated by Extension Service, statistics of agricultural development in Oregon, health situation by Dr. Carlyle Thompson of Portland, social situation by Dr. Frederick Stricker, of Portland, school situation, census, buildings, requirements and fees; relief situations; housing surveys; food ~~xxx~~ situation and 4-H Club members and number of clubs and years in club work. So, I think that we do and are trying to build our programs very soundly. We agree with Secretary Wilson and Dr. Bean and Dr. Stine and all the things that Mr. Taeusch says, but we want to say it without any reservation that if it had not been for the 30 years of Extension work and the very kind of Extension work we have been doing it would be impossible or a hopeless task to educate the mass of farm people to an intelligent understanding of the inter-relation of labor, business, and agriculture, and all the ramifications that implies. It is a difficult job which is ahead of us but all noble accomplishments, of course, seem impossible. If we Extension workers know and if we believe in a thing we can teach the farm people.

THE PRESIDING OFFICER: We will take ten minutes and discuss this matter.

DR. BEAN: "To what extent are the wide fluctuations in industrial activity as affected by the automobile industries and so on, a reflection of inherent characteristics of those industries and to what extent a reflection of changes in price conditions?"

(Answer) Well, you have opened up a real question, a real problem. I do not know that I can answer it. I think you are suggesting a basic truth that in these industries we are dealing with a so-called durable goods industries for which you do not have a continuous type of demand such as you have for food. I do not buy an automobile every month or every year, do not buy one every three years and I do not know that we want to buy automobiles every year, but the fact that we do not is perhaps one of the basic reasons why we have a certain type of fluctuation in automobile activity and perhaps the fact that I buy a house only once every twenty years may be the basic reasons why we have a particular kind of cycle in that line of activity. There is perhaps another reason, another in trying to answer this question that would be worthwhile, suppose we had in the automobile industry the kind of demand analysis, the kind of price analysis that Dr. Stine has developed through his experts in the different agricultural commodities. We know the response of price to the supply of hogs and this and that. Suppose we have that sort of thing for automobiles. Here is what we think we would find that if the automobile industry at the present time, or, say, last August or September, had reduced its prices by perhaps ten percent or fifteen, in other words,

had lowered the price of a car from \$600 to \$525, that the industry could have sold more cars, perhaps 20, 30, or 40 percent more cars, and that that would have been to include all the nation as a whole, because more people would have been employed, more material would have been used, and so on. Now, why didn't the industry do it? I do not know the real answer, but I suspect it is something like this, that on the average say the automobile manufacturers have a margin of profit of something like a hundred dollars a car. Let us say for the moment that is a correct figure. It may not be very far off incidentally, but if they are to produce, if they are to sell more at lower prices then they have to eat into this profit margin and if they eat into this profit margin it means, of course, that the group of people who live on that profit, that is the stockholders, some of you may be part of that group, farmers may be part of that group, but those who depend on the flow of dividends, dividends from the automobile industry will be squeezed down, and if the average profit per car is reduced from \$100 down to \$25 and probably that is one of the basic factors, perhaps not the only one, why, the automobile industry adjusts itself downward in terms of volume and ~~in~~ attempts to base its ability because that is its current application, being a corporation resting on stockholders, to maintain stability in the profit figure, rather than stability in the employment and production figure. Now, while I am on the subject I think I want to say a little bit more. It goes back to Dr. Stine's suggestion that what we really need is greater ability on the part of individual farms, on the part of individual industrialists to make the right kind of adjustment in the light of construc-

tive conditions. Now, Dr. Stine, please do not misunderstand me. I have lived in the philosophy of outlook nearly as long as you have because I was one of the first men who did the work, so it is still in my bones and I hope you will have an opportunity to carry on and extend your work double fold, quintuple, if you wish, and I hope that you can be successful also in encouraging the industry to do likewise and I hope that you will make a great deal of progress during the course of the next ten years and I would like, Dr. Smith, for you to give me an invitation --

DR. SMITH: Yes, sir.

DR. BEAN: -- to appear on this kind of a program in 1947 because by that time I think it will become pretty clear that economies for farmers, and business men, and everybody else, adjusting themselves to prospective conditions, and in that way attain economic security and stability. Now, let me spell this out a little bit more and even if I do not answer any other questions, I would like to get this off my chest, perhaps for Dr. Stine's benefit more than any other but please bear in mind specifically that I am not against outlook work. If I had nothing else to do I would probably apply to Dr. Stine's Division to carry on in your work but let me give you a realistic illustration. The economic statistician of one of the largest automobile companies was in the office the other day and he told us what is going on in his industry. He prided himself on the fact that every Tuesday morning that industry knows exactly what its current demand is, what it was up to the previous Saturday or Friday, and in the light of that information which they got on what their cars are going

into distribution, and how the price structure is held up, not only on new, but used cars, not only on their cars but on competitors' cars, they make their adjustments to the prospective conditions and the supply and demand, and for that reason the automobile industry has now undertaken, or is in the process of curtailing its output because it is as good an analysis of supply and demand for the automobile industry as any that we have in agricultural commodities that we are now benefitting or enjoying a recession in business. So, if you will bear that particular fact in mind that the large industries do not need any more (I am not speaking of the small business man who does not perhaps know more about general economic affairs than the average farmer), but I am talking about these large outfits who have their economic surveys there, they pay for them or build them up in their own organizations, who know what is coming better perhaps than we do because to a large extent they guarantee what we think is coming, they are the ones who are doing a perfect job of adjusting themselves to the prospective conditions of supply and demand and they are the ones who do this kind of a job in adjusting themselves to supply and demand conditions. Now, if you have more, people doing that more, little business men doing that, then you will have even greater instability in business than we have enjoyed so far. I want to repeat, Mr. Chairman, I am not against outlook work for the little business man, the little farmer, or the big farmer, but ten years from now I think we will see that after we have expanded our outlook work that our job is only one-fourth done because if you want stability in production

we must not hitch ourselves to something which is unstable and that is what we tend to do really when we say or when we encourage industries to adjust themselves to changing conditions of the man. What we want is to inject into the economic system some kind of greater rigidity in production and in ~~instability~~ stability of price and income and the only way you can get greater stability of price and income is through a greater stability in volume. That means that we must not be encouraging people to adjust themselves to unstable production but rather to advise schemes for creating stability in production and there is where the agricultural programs of today are making a contribution because they are not encouraging the individual farmer to, that is they are not aiming at an entire agricultural output, adjusting itself to variations in supply and demand. They are aiming at a fairly stable flow of volume and if industry would do some kind of a job in that direction then we would have greater stability.

THE PRESIDING OFFICER: Dr. Stine would like to say something.

DR. STINE: We have 20 or 30 questions here, but we are going to type those questions and give you these questions and give you a chance to reply.

THE PRESIDING OFFICER: We have with us an Extension Director of a state. Now, we are to hear from the states.

Dr. C. E. Breen² is a graduate of State College, Pennsylvania, formerly an official of the Department of Agriculture in the old Bureau of Markets and for the last eighteen or twenty years^h has been down in Tennessee as Assistant Director down there and he is going to discuss with us: How can the facts needed in rural Extension program

HOW CAN THE FACTS NEEDED IN A RURAL EXTENSION PROGRAM
IN A STATE BEST BE SECURED AND APPLIED IN THE STATE?

By C. E. Brehm.

(Stenographic notes,
Pps. 34-56)

THE PRESIDING OFFICER: We have with us an Extension Director of a State. Now, we are to hear from the States.

Dr. C. E. Brehm is a graduate of State College, Pennsylvania, formerly an official of the Department of Agriculture in the old Bureau of Markets and for the last eighteen or twenty years has been down in Tennessee as Assistant Director down there and he is going to discuss with us: How can the facts needed in rural Extension program in a State best be secured and applied in the State.

DR. BREHM: Dr. Smith, as far as I am concerned, I would be perfectly willing for Dr. Stine and Dr. Bean to debate this question for the rest of the afternoon. I put my talk on a chart. I have got this well-rounded program too that Miss Reese was talking about and things that we have been talking about here today. It is a difficult but after all that is what it is for, this talk, I assume is to get this out to rural people. It is a rather difficult thing to state in 25 or 30 minutes how to do that, in all of the work of the United States Department of Agriculture, out to the rural people. That is that well-rounded program that Miss Reese is talking about. I appreciate the opportunity that Dr. Smith has given to me. It is the first opportunity I have ever had of having the privilege of seeing this whole group in the office of Extension work here. It is a real privilege to me. Furthermore, it gives me an opportunity to really express to Dr. Smith the fine appreciation we have always had of his philosophy of life, the combination of the practical with the cultural and beautiful things of life too and, then, the opportunity to express appreciation I have of some of the members of this staff in Washington through whom it has been my privilege to come in contact, or rather an opportunity to express to them the very fine contribution that they have made to our work.

Now, how can the facts in the rural extension program in the state best be secured and applied to the state? I am going to leave the word "extension"

out. I do not conceive of a program, as an agency program at all.

I think there is too much of that type of conception of rural program at the present time. That is not an extension program. We do not have a soil conversation program, we do not have a Three A program, despite the fact that we say we have, and we do not have a farm security program. As I see it the whole objective of the United States Department of Agriculture, and every part of it, is to make a contribution to the development of a rural program for the United States, and its adaptation to the various sectional, regional and local areas, so that this one which reflects an agency I like to leave out of my figures, but back to the original question, how can the facts in a rural extension program in a state best be secured and applied in a state, at the outset I want to say that I do not know. I wish I did, but I am going to discuss an additional one that we have in our own state and the procedure that we are endeavoring to follow in answering that question, developing a rural program that is adapted to the various area in our state. We have been trying a lot of different approaches in the last 25 or 30 years. A lot of them have not worked. I think sometimes, I am talking about my own organization now, is that we find that one procedure will not work and we assume the attitude that it cannot be done and then go off and forget about it. I think that one of the biggest problems that confronts us in the extension work now is not only subject matter to teach. We have got a lot of subject matter to teach, but also to evolve methods to teach what we know and sometimes, talking about my own staff. Now, I think we have settled down to a systematic routine which has been in the process of evolution and development for the last 25 or 30 years, and it is exceedingly difficulty to get away from

routine, and yet conditions change from year to year, and we in extension work are dealing with change. We are not dealing with stabilizing, but we are dealing with change. There are three definite known things in life. One is that you are going to have taxes, another that you are going to die, and the third thing is that it is going to be different tomorrow than today, and the method which we teach and the subject matter which we teach has to be adapted somewhat to that. And I try to impress that on our own staff as a matter of keeping abreast of the times, not being apprehensive but trying new methods, not departing from the old method, by any means, but I think we have to do some research work in extension methods by trying some new ideas and if they do not work you get the experience at least. If it don't work you can always try some other way and in the course of time we may find some procedure that will work, better than we have had in the past, and when an extension organization sees and tries a new procedure and comes to the conclusion that the procedure which is already developed is the final conclusion, and the only way to do in that organization today, there is no question. Extension, as we say, is a vital thing in confronting or dealing with problems that confront people every day, and the method and the subject matter that is taught has to adapt itself to those problems from day to day. It is different in that degree from resident instruction. In resident instruction you can reduce it to regions, because you are teaching the youths for the future and fitting them for the future. Extension is teaching people to make a living in the present and as such has to deal with the problems which people meet from day to day. I have just been

through a series of conferences with my own staff in which, if there is one thing that we have tried to bear down on hard, and I am talking about our own outfit now, it is one thing to think and the second thing is to see if you can evolve some methods of going over the subject matter of the teaching which are better than we have hitherto had and not hesitate to try a new method, not departing from the old, I do not believe in casting away from what 25 or 30 years of experience has taught, but see if there isn't some new procedure that is better. And, you know that is the hardest job there is, I have found that out with my own staff.

Now, in the development of a program or an objective of these facts and the use of them in the development of a state program. After all a program, ~~is~~ that is a rural program as to the utilization and teaching of facts that enable rural people to change their practices or improve the practices in such a way that it will improve their economic conditions or social conditions and every other way. There is no use in having facts that do not apply. That is what our organization, through all its ramifications is trying to build programs. You cannot disassociate facts from the program and the manner in which the program is built. So, in the brief discussion I am going to discuss the thing from the point of view of building a program and simultaneously the ideals of these facts in the development of that state program, and as I said before I do not want you to misconstrue that. I would not presume to tell this group how to best utilize those facts or how to best build a program. I am just giving my own point of view and the theory of experiment we are trying to work out in our own state.

Now, in line with what has been so well been said here several times, there has been no question in my mind that approximately 50 percent of the things which affect agriculture are beyond the control of the farmer himself -- industrial conditions, international conditions, and so on, and probably 50 percent are within his control. I think that is generally recognized and I think that the Department of Agriculture today and our Secretary recognizing that fact is trying to bring the influence of the Department of Agriculture to bear so that they can have some influence on these factors, those other 50 percent of the factors that are beyond the farmer's influence, and that influence is business. That means that in the course of time there is no question in my mind that there will be a gradual evolving and development of a national program or policy for agriculture. That is what the United States Department is for, what the Government is for, in looking after the welfare of the people in these different locations and groups so that are State Department has a tremendous influence on international relations, and our Department of Agriculture, in its relationship with the Department of Commerce, probably influences the industrial people in their influence on agriculture so that in the course of time, in addition to the old established research activities of the United States Department, and the Extension office, we have got those now, we have these so-called action agencies of the Department of Agriculture, all of which to my mind are the beginning probably of crystalization of a foundation of a national program or policy for agriculture. Well, a national program or policy for agriculture as such is not any good unless action is secured from

it by the 6-1/2 million farmers in the United States, and that means that whatever that program or policy may be it has to be adapted to, it has to be adapted down here to the farmers in the rural community. So, as I see it, just as the Secretary said this morning, research can continue on, these action agencies coming down where there are more or less permanent and agencies which will aid, like the Three A's in laying the foundation of gradually crystalizing some national program. That being the case in addition to the research activities which the Extension workers had to know hitherto, to adapt to a State program, he is going to have to know ^{the} program of these action agencies and what their objective is for a procedure, and whereby they are carried out, and just what they are trying to do, and my theory has, and of all these activities of the United States Department of Agriculture, the Extension Office, the Extension work here, ~~my~~ theory should be the bottle neck through which all that information should come to the States. It is not that way yet, but that is the way departmentally it ought to be so that our demonstration line or procedure coming down to the rural people through an agency has already been created. All right, that is one source of ^{influence.} information.

There is another source of influence and that is the land grant college with its instruction, its research and its extension, a little bit closer to the people, taken with these ~~new~~ research activities, more closely in keeping with what the needs of the people in a particular state in which that experiment station is located. But there is another big source of influence, too, and that is these people over here, that is the people themselves, the practical experi-

ence of the farmers and the farmer's wife and before you can intelligently apply information and facts from those sources and from those sources and conditions have to be known there. I was very much impressed with what Dr. Smith said this morning as well as Dr. Jardine, two very significant statements that have been made in keeping with my little talk, as a matter of information, works both ways. It comes up and it goes down, it comes up from the rural people down to the rural people. Dr. Jardine said that it was in the research work of the Department of Agriculture, and they were struggling to get more facts on conditions in communities on individual farms and in states. Now, these people know more about that community and that farm than anybody else, they know more about it, and I think sometimes we are prone to underestimate how much they do know. They know which field is wet, and that it takes three mules to plow instead of two, and we wonder why they don't put that field in to a certain crop lots of times and make the adjustment which we think ought to be made in that field. Well, maybe it just takes too many mules to break it up and he has not got the horsepower to turn loose ~~the~~ to break that particular field, and he ought to know more about that farm than anybody else, believe me, he lives on it, and he works it. They know more about their community than anybody else, and what its potential possibilities of development are and they have learned that by practical experience. I remember back yonder in the early days of Extension work we would take a case and discuss why people would not ~~be~~ do certain things, why we could not get them to put into practice certain things, -- well, in my judgment it is not all ignorance, in my judgment there is

a reason for everything. There is a reason for everything. It may be one of tradition, custom, it may be one of lack of money to put to practice we have recommended into operation, and that has been the case frequently, and that has been one of the handicaps Extension has had which these other agencies have not. There is no use recommending to a man to use improved feed corn which costs \$3.50 a bushel if he has not got the \$3.50 to buy it, and that has happened frequently already. It might be that, and his farm management operation, one practice which we recommended would necessitate a readjustment of the entire practice, that man throwing a certain acreage out. Well, he had so many acres to bring in a certain income and he just couldn't do it. There is a reason for practically everything. There is a reason why the things have not been done which we have been trying to encourage them to do and I think that more and more we are going to get that thing we are concerned about, that is getting the practice adopted, and this teaching we have here today, put into operation, to be able to approach rural people to get them to do the thing we are teaching. But you have got to know the thing that is in their mind, you have got to know what they think, what the reasons are, and whether they are based on tradition or on economics or whether they are based on finance, or whatever they are, as the case might be, in order to break through that resistance. Now, that means you have to know more and more about the practical experience on that farm, in that community, and just what that farmer's problems are. Now, how can you get that? Well, one of the best ways we think to get it is off these farm and

home management records, that type of work that brings in analyses of the farm home, or analyses of the farm, and you have got an inventory of everything that is purchased and everything that is sold, a picture of the conditions on that farm, is just one of the best, and these herd improvements records, is just one of the best sources of information I know in order to get what he thinks. I am just trying to emphasize that our great weakness at the present time to me, talking about our own staff, is we think we know, and we have gone along for years and assumed we knew and we don't, and one of the fine things, I think, in the last three or four years of these agency activities, has brought us, is how little we know about agriculture, the agriculture in our own state. Now, we get that through surveys too. I could say a lot about that.

Now, in the building of a program here, one of the first steps that I think has to be taken in the building of that program is to get as much information as we can from these three sources. Here are your three sources of information, each of them as important as the other, in my opinion, and I do not think we ought to underestimate this here (indicating). We are never going to get this applied here (indicating), or this over here (indicating) until we know the conditions there and know how to interpret it and synthesize it. I like that word of Dr. Jardine's this morning, "synthesize and interpret," and that is our function, particular administrative function is to take the sources of information here, the sources from over here, and the knowledge of conditions which we have here and adapt them and demonstrate them and fit them into use in that home

on that farm with the equipment that they have. Some may have a certain amount of equipment, other may not have any, some of it is very mediocre, but nevertheless that is the point I want to make. Our job as Extension people in the state particularly is to take all that we know from here, and I am talking now in terms of what Dr. Bean and Dr. Stine have been discussing in this and Dr. Taeusch, rules and regulations objectives in these so-called action agencies of the Department, and work in research and activities of the Department, all that we know, together with these over here, and adapt it to these over here, with the knowledge we have here and each of them complements the other.

Now, the second step is the development of the program. I think that is a thing we have overlooked in the past, is to analyze our state and to break it down into types of farming areas. We have done that. There is no use trying to take a blanket state-wide project and adapt it to every place in the state. It won't work. Take a state like ours which is a border line between the North and South and has quite different types of agriculture in it, and that is true of every state. You have in it certain distinct types of farming, -- tobacco section, and its relationship to dairying and other crops, you have a cotton section, and its relationship to other crops, and we have the Cumberland Plateau, and you take every state and break it down into certain well defined type of farming areas, and that goes for the man's work as well as the woman's work because topography, climate, crop adaptation to a very large degree affects and delimits the income, and the income of the farm affects, to a

very large degree the standard of living on the farm and its home. Now, that, to me, is the first step.

Well, we go back up here to the United States Department of Agriculture, the Land Grant Colleges, and our land use studies of one kind and another, and our crop adaptation studies, and you can break down and map out your distinct type of farming areas. Now, you cannot change those types of farming areas. You cannot make a cotton area out of a tobacco area. Nature has already fixed that. Now, any program and adjustment that is developed has to be in keeping with what nature and so on and so forth have already fixed in that area.

Now, the third step is for your farm management economist and specialist and district agents to determine, as far as possible, in the various type of farming areas in the state, and adopt the data and information from the college and the United States Department of Agriculture to a program in that area. The third step is to get the point of view of the specialists and the district demonstration agents. That is the hardest thing to do that I know. I have just been through that, is to get the point of view and get them to conceive a program in its broad prospective. We have got about, well, including the T.V.A. stuff, we have got about 35 or 40 people, including the T.V.A. people on our staff, and we are trying to get them to conceive of a program and adapt it to each of these types of farming areas and the relationship of each specialist because of the hard work and the contribution to the development of a program of that region. All the beef cattle men can see is a beef cattle program and the purebred sire. Now, I am not talking about you back over

here, I am talking about ours and the problems of about how to feed poultry and housing them and so on and to have them report on these project outlines for so many years. You are familiar with them up here, you review them and see whether or not they are any account or not, that is the point of prospective of the whole work and the great difficulty is to get them to visualize it, for example. In our cotton, one cotton area, the whole field of the trend, what would be the trend in agricultural development in this particular area, what should be the trend in beef cattle, what should be the trend in dairy development. Is it the dairy section or isn't it? Is it adapted to beef cattle or is it not in its relationship to cotton, is it adapted to poultry in its relationship to cotton, and the thing we are trying to do and get over in the way of a viewpoint is to take each of these types of farming areas and chart out a sound, fundamental program, which is not a program for one year, but for years in the future, and with the Agricultural Department, involves the farm and home, the topography of the land, the climate, the crop adaptation as adapted to that area, and, then, the demonstration work of each specialist making its contribution in that ~~xxxx~~ respective field to the development of that entire program in that area. Now, if you think it is an easy thing to get that group of specialists to get that prospective of the whole program that comes in a rich type of farming area, and get that point of view, that is a very difficult thing to do. I have found that out. Nevertheless, I may be right or I may be wrong, but we are working at it anyhow and trying to get the same point of view on program development in the minds of each specialist, each demonstra-

tion agent, and, then, down into the campus. Now, when your headquarters staff has taken all these things up here, from here and from here (indicating) and synthesized it as the case might be, according to each type of farming area, and we have gotten what the headquarters staff have thought is tentatively the type of program for each of these 15 types of farming areas, then, the next step, and we are going through that right now, is to call each of the county agents and home demonstration agents and in each of those types of farming areas together and get the point of view over to them and discuss with them the type of farm program and home program and adjustments that should take place on that particular type of farming area. Well, we got a lot of suggestions, and this tentative program that the specialists have taken out there and discussed with these group of meetings of agents undergoes some more refinement, more modification, and some more adjustment. That is the fourth step now. Now, the fifth step, then, is after you have had these agents work on this thing, the specialists, is to take it to the people themselves and let them adjust it and ~~they~~ refine it more and more and find out what they think about it. Now, do not misunderstand me. That involves all that we know up here, what is in the Three A's and the A.B.C. and the F.C.A. and all the rest of them, as far as I know and what Dr. Bean and Dr. Stine have been talking about and crop adaptation and what we know from farm records and the experience of the farmer. Now, take these program planning associations and the program planning group on the campus. Personally, I think the time has come in Extension work where there should be one program planning group. A.A.A. has injected a lot of

confusion into this program planning and we have been planning programs for the last 25 years, and I want to say this, that the program planning thus far, and I say this without criticism, that the A.A.A. has been trying to do, no one has been able to understand yet in answer to those questions. Now, they have been struggling around, I think, ~~the~~ to find a place but those questions have been rather difficult to understand and particularly that third question and I don't understand it myself in that group, but the idea is right. Now, I think here is what we have got now, the county program planning, as I see it, and as I said, the function of Extension and the County Extension Agency, the home agent and the county agent, they are the closest to this problem. It is the one agency created by law to deal with all problems affecting home and rural life and therefore it is the agency through which all these activities, the educational views of these activities should come. All right, here is the situation we have got now. We have got an Extension planning committee, we have had that for years, and, all right, the A.A.A. comes along and the Agricultural Conservation Committee, that is a planning committee too; Soil Conservation surveys, they are setting them up too, they are planning too, and then the T.V.A. has a planning committee, and, then, along comes Title 1, the Farm Security, they have a plan for about five or ten people that will qualify for a loan in a county. That is in substance what it amounts to. Now, it is kind of ridiculous when you come down to it, you have five or six different agencies in a county, which each of these agencies are here trying to set up and these agencies are here and the reason they are setting them up is because they are trying to find out, these

out here, what the farmer thinks of it, all of which recalls that you have to know what the farmers think, what the problems are before you can adapt any program from any source to the required area. Now, the thing we are trying to do, it may be right or it may be wrong, I do not know. These county extension agents are here at the hub, in setting up one county program planning agency which is representative of the leading men and women in that county, and, then, all these agencies, counties, all these counties have to do with rural life, they clear their counties through that committee and fit themselves into a county program, one comprehensive county program which involves practically every phase of rural life in that county. Now, we have talked about a college program, talked about a Department of Agriculture program, we have talked about a A.A.A. program, we have talked about a Soil Conservation Service program, we have talked about a Farm Credit program, we have talked about a Farm Security program, and we have talked about a T.W.A. and we have talked about a T.V.A. program, -- and none of them have a program. I say that advisedly. Each of them have just got a segment of a program, now, just think about that. The A.A.A. is making payments for using lime or phosphate, or terracing, or sowing legumes, or something like that. That is not a farm program by any means. It takes more than that to do the things Dr. Bean and Dr. Stine were talking about. That is just a segment of a program. All right, the farm security talked about a program. Well, they are making grants and loans to about 5,000 people in Tennessee, and that is a low income group. Well, that is just a part of a program. That is just one segment of a policy in that county. In the Farm Credit they are lending

money to farmers, a small percentage of them relatively but that is just a segment of a program. Now, I think we have got to get the idea that each of them have a farm program out of our minds and to be thinking in terms of using those agencies and they have a very important and very constructive influence, using those agencies as well as every ^{and} other bureau/~~of~~ division of the United States Department of Agriculture, to make a contribution to this thing over here (indicating), this well rounded program we are talking about. Now, this is the well-rounded program Miss Reese was talking about. Now, any program is not just a few of the counties which have to be taken into consideration. Now, we talk about these things up here, action agencies, extension, research, and the college aids to rural life. After all what are they for? To do some of the things that Dr. Taeusch was talking about, and all of them focus on that farm, on that home, and in that community, and that is what we are all trying to reach. They are all trying to get to that home and do something to improve the standard of living in that family, every one of them. Now, you have a chaotic condition of five or six or ten different agencies going there independently of each other. Now, rural people just talk much about too many Government people coming around and trying to help them and investigate them and all of that sort of thing. Now, in this Department here in Washington, just as has been said this morning, there has got to be some coordination among the different agencies in their counties, some distribution channel by which all of this information goes down and is utilized and built into a program so that it makes some contribution here. Now, I would just like to say this that to me, and I like to think of this

program here, this well-rounded program as farm management and home management, this information we get from these farm and home records particularly, is the arch on which you build any farm program. Some of you must agree with that. Nevertheless you cannot get an adaptation of this information from here (indicating), or from here (indicating), until you know the situation in that community and in that home, what the income is, how much the family has got to spend, and it follows these well defined types of farm areas pretty largely. Furthermore, you will find this that in practically every community, and your farm records will tell you that, your farm management records and your home management records will show you that that in practically every community you have a few outstanding men and women who are doing the right thing. You have got them out there doing it and they are succeeding, and they are doing all these things we are talking about here this morning, and they are sending their children to college and have nice homes and are enjoying life and they made it off the land. That is what your farm and home management records tell you. That is why they are so important to me as a source of information. Now, our job is to get a lot of the rest of the people in that community to be just as good as they are and endeavor to bring them up to that plane, and to me, now, I think any extension work -- I want to say this and this is kind of by the way, by way of digression, somehow, I got the impression ~~that~~ of 4-H Club work to be a separate organization, and we talk about college agencies and we talk about a club organization with any extension service. I cannot see an organization of that kind, after all we are dealing with a family and the home. These boys

graduate into this up here (indicating) of adults and the girls graduate into this down here (indicating) and that is what we are fitting them for and training them for. Now, in some of our organizations we have a separate ^{negro} ~~minority~~ organization. It is under a director, a sort of board of control. I cannot see that. After all they are a part of this program and they make their contribution to it for colored folks.

These boys and girls we are training to make their contribution in later life as parents. Now, I am talking about my own staff and my own organization. The job we are trying to do is to relate these things together into one program for each type of farming area and laying the foundation for a program that goes on from now on. Now, we have had this experience. And that is true of all Extension work. I am getting tired of every time we have to hire a new agent we have a new program in the county. That is no program and that goes on in every state where you have a condition of that kind, you haven't got a program and there is just one sound, correct, right rural program for a county that is in a certain type of farming area if you know what it is and that is what we are trying to find out. That program is charted, each agent in there, and they develop it under an agency and for reason or another a new one comes in and takes that program and goes on with it and we set up certain mile stones from year to year when we evolve a program. We have spent thousands and thousands of dollars here hiring an agent to develop a program and they would work on the dairy business in a certain county and make some progress and then another agent would be hired and he would think he didn't

know much about dairying and he would think that county needs something else and then we get a different program.

THE PRESIDING OFFICER: Mr. Nicholson will open the discussion.

MR. K. J. NICHOLSON: I am not going to speak as a specialist in educational procedure. A lot of you people were educators and extension workers when I was still barefoot back in Indiana but I do want to comment a little bit on Director Brehm's talk and indicate some of the things that may be one of these ^{newer} ~~newer~~ members, younger members of the Department might think in connection with these problems. Essentially Director Brehm wrote my speech, and I could spend this time by just merely going through and punctuating in a little of the places and putting some explanation points and drawing some underlines. Possibly I could do better than that by summarizing that a little bit on some of these points. What is it that we are trying to do? What is it that we have to do? In what limitations do we have to work? As I would summarize, I would say, in the first place we have a world economics, and in the second place we have a national economics and in the third place we have an agricultural economics within the limits of these other two economics. We are trying to do the thing that Director Brehm pointed out in his well-rounded portion of his chart. We are trying to increase the income of all people, particularly those that were living on the farm, that income is not merely monetary, it is not merely material, it is psychic, it is the element in living. How do we get that income? We get that income from resources. What is it that we are trying to do, then? We are trying to use the resources that we have in agriculture to the end of giving for each area

the greatest amount of these incomes that we can think of that they can get, though it is correct, I think, Dr. Stine made a point, that this income was not all monetary. I doubt if many of us have found a much better way to increase this income to provide that psychic income other than through monetary means. I am not trying to say that that is the only thing it does but it is ~~the~~ one of the main things that we are trying to build in each area a type of program trying to get the farmers to do those farming operations which is going to result in the best type of income. We are essentially trying to iron out these differences on that map which Dr. Bean showed you early this afternoon. We are trying to make it possible for all groups of agriculture to get their fair share. How do we do that? One of the main things is for us to know what ~~are~~ are these resources we have to work with and how should we use them? What combination of resources should the different farmers and people in different areas use? How can we find out what these resources are and how can we best use these resources after we find them out? We people here in the Department of Agriculture have worked -- maybe I should say you people because I haven't been here so long -- but the Department of Agriculture has had a large research agency, research activity in finding these so-called facts, trying to guide the people through their educational program in how to use these facts to accomplish this end. Have we been successful entirely/in that? The Triple A was formed two years ago after a long period of dissatisfaction among the agriculturalists feeling that we are accomplishing this end, that we are not keeping the agricultural industry or agricultural society in/^{step}~~step~~ with the

national society or the world society. That was an agency that was created along with a lot of other agencies to accomplish this quicker adjustment. We felt that just merely research and teaching was not getting all the accomplishment that we should have. The feeling was that we should act more quickly, that essentially the ills of agriculture and possibly of society were due to this freezing of the elements of production and distribution and consumption. What we want is a greater liquidity, more dynamic operation, we want quick adjustment. How can we get that? One thing that will contribute to that is a greater knowledge of the facts of the situation. How can we do that? Two things are necessary, to know what the facts are and then really get them to use quickly. In the last couple or three years I have been talking about agricultural adjustment, regional adjustment, and county planning and a number of those types of things, that is one of the things I am interested in, stressing most the county planning, not particularly in its present form, but county planning in a general sense is one of the means of accomplishing this end that we can enlist these leaders of society, agricultural society, let us say, or the rural community, which includes as well these small villages, as well as the strict farming class, these people know what the situation is in their communities to a certain extent. I remember one of my own teachers one time told me that they had been able to forecast changes that came 15 years later within an area by studying what certain people were doing. The leaders in that community were 15 years ahead of the group as a whole. We assume in this procedure that these people

do know better what are these real resources they have and how to use them. We ask them not as a research type of set-up, let us say, with a group of just strictly specialists, trying to get the answer, we ask them at large and in every community throughout the agricultural sections of our country what are the things that we need to do in agriculture. We assume that they can give us that answer. Now, we are also assuming that we can go back the other way after we find out what these desirable changes are, we can go back, we can head down and give us this two-way adjustment that was spoken about earlier this afternoon, they can fit in and fit out and we can get these adjustments quicker because it has greater liquidity, more dynamic type of agriculture because a program in each of these areas which adjusts itself has the needs for that area generally. We have had this county planning program. We are not saying that it has been a thousand percent successful, but we are saying that it looks like it had some prospects, it looks as if it had greater prospects. The Department of Agriculture is now considering the future of county planning and this type of approach to our agricultural production. Some of us that have been working this up hoping that the time will come when we will do the thing that Dr. Brehm speaks about when we have in each community a committee that will help in the guiding of their agencies that may come into that area to help solve the agricultural problem. I cannot tell you when we will know whether that will ever come about or not but the Department of Agriculture is attempting to answer within the next few months the question as to what real function county planning

program should take in the future. We are hoping that the Department does find that this experiment has been a successful experiment, that it is capable of working out and going ahead. I think that is all I really need to say.

THE PRESIDING OFFICER: Thank you Mr. Nicholson.

HOW CAN THE FACTS NEEDED IN A RURAL EXTENSION PROGRAM
IN A STATE BEST BE SECURED AND APPLIED IN THE STATE
(As revised from preceding stenographic notes)

By C. E. Brehm.

United States Department of Agriculture
Extension Service
Division of Cooperative Extension

HOW CAN THE FACTS NEEDED IN A RURAL EXTENSION PROGRAM
IN A STATE BEST BE SECURED AND APPLIED IN THE STATE*

By
C. E. Brehm, Director
Tennessee Extension Service

Definition For Rural Program Planning

In discussing the subject "How can the facts needed in the rural extension program in a State best be secured and applied in the State," I am going to leave the word extension out. At this point, I want to digress somewhat to define to you my conception of rural program planning that you may follow my line of thought.

The Extension Service is an agency, and I do not conceive of any sound rural program as being an agency program. I think there is too much of that kind of thinking at the present time, and we are going to have to revise our thinking on rural program planning. Rural program planning implies and is building up from the rural community where people have their feet in the dust. Agency rural program planning implies and is planning from the top down where people sit in swivel chairs. I think there is too much talk about agency rural programs at the present time, and not enough about a comprehensive sound rural program adapted to the needs of the people. I get the impression sometimes we are thinking more about the work that agencies can do than what the needs of rural people really are, and lose our perspective in this rural program planning work.

For the past 25 years the land-grant-college extension services have been planning rural programs. In Tennessee for a good many years there has been a permanent planning committee in each county in which there is a county agent and home demonstration agent. A part of this planning group is an agricultural committee elected by the county court for this specific purpose. The county court is one of the public agencies authorized by law to cooperate in carrying on cooperative agricultural extension work. The agricultural committee of the county court, therefore, should have some official status as a county rural program planning group. The rural programs planned by rural people with the aid of the extension service may not have been perfect and they may have had their limitations, but there is decided evidence of accomplishment from these programs. In the past 25 years there has been considerable dairy development. Burley tobacco has increased considerably. The Irish potato as a standardized commercial crop has been established on the Cumberland plateau. Last year over 5,000 farm homes installed water systems, and 65,000 farm families made some decided improvements in their homes. There were 58,000 boys and girls last year, enrolled in club work, who were given a better perspective of farm and home life. Similarly there are many other evidences of the beneficial influences of extension program planning.

*Address given at Extension Staff Conference, United States Department of Agriculture, Washington, D. C., December 13, 1937.

Then the Triple A came along with its soil-conservation program and its conception of county rural program planning. It requested that a county program-planning committee be created for its planning. It has injected considerable confusion into real rural program planning because Triple A rural program planning is from a very restricted point of view. The Triple A is making payments for the use of lime, phosphate, terracing, sowing legumes, and other practices which tend to conserve soil and encourage shifting from cultivated crops to grass and legumes. This is not a complete farm program by any means. There is far more to rural program planning than just shifting from cultivated crops to grass and legumes and conserving soil. Then there are the county agricultural conservation association committees. They also are planning different phases of the Triple A soil-conservation program in the same county -two rural planning committees from the same agency.

We speak of the Soil Conservation Service rural program. Its work is confined to a few restricted activities encouraging better land use, farm mapping, strip cropping, contour farming, terracing. They also have a county committee to advise with their representatives in planning their program in the county.

Then there are the Farm Security Administration rural programs. There are several within this one administration. The Farm Security Administration has a committee on rehabilitation loans and another committee for Title I of the Bankhead-Jones Tenant Act to make a program for about 5 or 10 people who will qualify for a loan in the county. There is also a debt-adjustment committee.

The Farm Security Administration is making grants and loans to about 5,000 people in Tennessee, and these people are limited to a low income group. They are just a segment of all the rural people in Tennessee, and to that degree this work is only a part of a rural program.

The Tennessee Valley Authority has a soil conservation and fertilizer program in the interest of soil conservation. They also have a county committee to aid them in planning their work.

I have mentioned five different agencies of the United States Department of Agriculture with a total of eight committees created to function in each county. All these committees are attempting to make plans and county rural programs for their respective agencies. It is rather ridiculous, when one thinks about it, to have eight committees all representative of one department, the United States Department of Agriculture, in a county, each making what they call a rural program for their respective activity. It is significant the program of each is restricted to a very limited phase of the rural life in the county.

It seems to me there should be closer coordination of the work of the different agencies of the United States Department of Agriculture. All the agencies are making plans to conserve soil and improve the standard of living of various groups of farm families in the counties more or less independently of the other, despite the fact their work is very closely related. We have a

chaotic and disorderly system of county program planning prevailing in the counties at the present time, and rural people are beginning to express themselves about too many Government people coming around trying to help them, investigate them, and call upon them for advice and information.

The fact of the matter is none of these agencies, except agricultural extension, has a rural program. Each of these agencies has only a segment of a rural program that deals with only a very restricted phase of rural life. Of all the agencies, offices, and bureaus in the United States Department of Agriculture, Extension Service is the only agency that is authorized by the Act creating it to impart education and information on all phases of rural life, production on the farm, conservation of soil, all activities with the family and in the home, marketing community activities with all groups of all stations in rural life, boys, girls, farmers, and farm women. In brief, agricultural extension is the only agency that deals with all phases of a rural program.

The time has come when there should be only one program-planning group in a county, and we should get out of our minds the idea that each of these agencies has a rural program. Rather there should be one comprehensive rural program for the county, and the rural people themselves should be the major influence in determining what that program should be. A rural program is the program of the people who are the beneficiaries of it, and they are the ones who should help formulate it. My conception of a rural program involves a definite plan of procedure for improvement in all the activities on the farm, in the home, and in the community, which involves the economic and social life of the people in a community, county, or region both as individuals and as groups. In other words, a rural program involves the proper relation of all the activities and many more which are shown on chart 2.

The county extension agents are the logical people to set up the county program-planning agency. They are representative of public-spirited men and women in the county and all the agencies functioning in the county which are concerned with improvement and development of rural life. The activities of all these so-called action agencies should clear through the county planning committee and fit into one comprehensive county program. In other words, each agency rather than develop its own work disassociated from the other agencies should make a contribution to the development of the entire rural program for each respective county or region. Each of these agencies can have a very important and constructive influence as well as every bureau and division in the United States Department of Agriculture in making a contribution to a rural program of this kind.

Trying New Extension Methods

But back to the question, "How can the facts needed in a rural extension program in a State best be secured and applied?" At the outset let me say I do not know. I wish I did. However, I am going to discuss with you a theory we have in Tennessee, and the procedure we are endeavoring to follow in answering the foregoing question in contributing to the development of rural programs adapted to the various types of farming areas in Tennessee. The theory might

be called a farm-and-home-management approach to formulating programs adapted to the various type of farming, and the coordination of the work of the college of agriculture and all the work of the United States Department of Agriculture and especially action agencies in making a contribution to the development of these programs. This is an experiment. If it does not work there will be tried, after a reasonable period of time, another approach. We may have to try several approaches before there is found the most satisfactory one.

During the past 20 to 25 years extension agents have tried many different approaches to having subject matter put into practice by rural people. Some of these approaches have worked and some have not as indicated by the adoption or rejection of the practices recommended. I think sometimes, and I am talking about myself and our own staff now, when we find we can't get a practice generally adopted by rural people, we assume the attitude it can't be done and then forget about it. One of the biggest problems confronting us in extension work is not so much subject matter to teach, but methods of procedure to get the subject matter we know adopted by rural people. We have a lot of subject matter to teach, which we know if put into wider practice would greatly improve the status of many rural people. But much of it is not put into practice. This indicates that probably we may be weak on methods of teaching. Our greatest problem may be evolving better demonstration procedure. There is danger of an extension organization settling down to a systematic, routine demonstration procedure that has been in the process of evolution and development for the past 25 to 30 years, on the assumption the methods developed are the only ones to follow in demonstration teaching. It is exceedingly difficult to get away from such routine once established. I have observed this tendency on the part of some members of our staff. They just can't vary their procedure of teaching from one year to another.

There are three definite known things in life. One is that we are going to have taxes; the second is that we are going to pass over yonder at some future time; and the third thing is that conditions change--that things will be different tomorrow from what they were today. We are living in a rapidly changing world, and this is particularly true in agriculture. The subject matter we teach and the procedure in teaching it must be in keeping with the changes taking place. Extension instruction is greatly different from resident instruction. In resident instruction it is possible to have a rather stabilized curriculum and follow a rather stabilized routine teaching procedure. We are preparing youth to live in the future, despite the fact we do not know what many of their future problems are going to be. The resident instructor can command the presence of his students if they desire a degree.

Extension teaching on the other hand is a vital, living type of education teaching people practices that make it possible for them to live more satisfactorily in the present and to meet the changes that occur from day to day. There can be no fixed routine curricula. The method and the subject matter that is taught have to be adapted to those problems and changes that occur from day to day and year to year. Furthermore, if the people do not like the teaching of the extension agent they walk out on him. A county extension agent has to live with his or her mistakes from day to day. From what is taught in the morning it is often possible to see the results in the afternoon.

"One" of the illogical things to me about extension instruction is that rural conditions have changed greatly in the past 20 to 25 years. Yet there is a tendency to follow the same project outline approach and teach some of the same subject matter in the same way we did 20 years ago. I have noticed this tendency on the part of a few of our specialists, yet rural conditions are greatly different from what they were then. Have we adjusted our methods of teaching as rapidly as rural conditions have changed? That is a pertinent question, and one that an extension organization should endeavor to analyze.

I try to impress on members of our staff the importance of keeping abreast of the times with their methods of teaching, and not to be afraid to try new demonstration methods. By this I do not mean departing from the old methods that have proved most successful. I believe in always retaining that which is good. But I think we need to do some research work in extension methods. If the new methods do not prove effective, we have at least found out they are not effective. It is always possible to try some other method, and in the course of time there may be found procedures that are more effective than many of those used in the past. When an extension organization or a specialist comes to the conclusion that the procedure already in use is the only way and the perfect way to conduct extension demonstration work, there is danger of that organization or specialist going to seed. Such a specialist or organization is certainly not pliable enough to adjust himself or itself to the changing rural conditions, and so becomes lethargic.

I have just been through a series of conferences with our own staff, in which the above-mentioned things have been discussed, and with the objective of having our entire staff have the same point of view on the fundamental rural problems in the State. We have endeavored to have each specialist ask himself or herself, "What are the most important rural problems in my respective field in the various areas of the State, and what subject matter and teaching procedure can be most effectively used to contribute to the solution of these problems?" and if possible evolve some new teaching procedures that might prove more effective in getting practices adopted than some of the older established procedures. To change the point of view of staff members who have been in extension work a long time and to get their minds off the old project outline procedure and on something new, is one of the hardest jobs there is for an extension director. I have found that out from experience.

The purpose of a rural program based on any analysis of conditions that prevail in a community, county, or region is to set up a procedure that rural people can follow to accomplish certain objectives in the area involved through the intelligent and practical use of facts and information. It is assumed the practical use of these facts and information will improve their economic and social status and contribute to greater satisfaction in life.

Low income is probably the great problem with the majority of people in rural areas. It limits health and living standards, conveniences of the home, robs the soil of fertility, and in fact all the satisfactions of life. The big problem of the extension worker is to suggest practices to increase the income from the farm and its most efficient utilization by the family so that the greatest satisfactions to the family may result from it. Increasing

the income does not depend on only one farm practice. It depends on many. True, one practice may increase it, but it will not bring about maximum income nor the results for which we are striving. Also, one home economics practice does not change the entire atmosphere of the home. There are many home economics practices involved. All those practices or adjustments on the farm that can be utilized to bring maximum and most efficient use of income in the home and community and maintain the productive capacity of the farm are my conception of what constitutes a rural program. It involves many practices, economic and sociological, properly related together.

Sources of Facts and Information

In any rural program the facts, or information, and their sources, cannot be disassociated from the manner in which it is planned. Therefore I am going to discuss rural program planning procedure simultaneously with the contribution from the sources of these facts.

There are three fundamental sources of facts on which to predicate rural programs (refer to chart 1): (1) the United States Department of Agriculture, with its research bureaus, action agencies, regulatory offices, and extension offices; (2) the land-grant college with its experiment station, the resident college faculty, and the extension staff; and (3) the rural people themselves, from their practical experience, farm management and home-management records, community, farm and home surveys, and type of farming areas. The assembling, interpretation, and application of all useful data from each of these three sources, to any rural area, is the first step in planning a program for any rural area. The word Dr. Jardine used this morning, synthesize, expresses what must be done with the information from these three sources to adapt it to local rural areas and make it useful. Furthermore, as Dr. Jardine of the Office of Experiment Stations so well stated, before information from each of these sources can be made most effective, some information must come up from the rural people and the college of agriculture and some must come down from the United States Department of Agriculture and the land-grant college. Information must work both ways. Some must come up and some must come down.

First let us consider the contribution, facts, and information from the United States Department of Agriculture can make to a rural program in the State. It is generally conceded that 50 percent of the things that affect agriculture are beyond the control of the farmer himself and probably 50 percent are within his control. Those beyond his control are industrial conditions that affect consumption of agricultural products and the price of things the farmer buys; international relations that influence exports, imports, world prices, foreign competition; weather conditions; and many other factors. I think the Secretary of Agriculture recognizes the importance of the above-mentioned influences on agriculture, especially industrial and foreign, and is endeavoring through the United States Department of Agriculture to influence a domestic industrial and foreign policy that will be decidedly more favorable for agriculture in the future than it has been some few years in the past. That is what the United States Department of Agriculture is for, as a part of the United States Government, to develop or influence national policies that are in the best interest of the public welfare and the great group that composes the farm

population of the United States. It seems to me we are making some progress in this direction. Many of these most important farm problems can be solved only through a national industrial and foreign policy that is more favorable to agriculture than has been the case some years prior to the past few years. Of course, Extension workers cannot do much about these things.

As I visualize the work of the United States Department of Agriculture and its relation to the many rural areas, its function is to aid in the development of a comprehensive national rural program for the United States, to be adapted to the various State, regional, and local rural areas. Each of the numerous bureaus, agencies, and offices in the United States Department of Agriculture should make a contribution to the development of this program, with each agency being properly coordinated with the work of all other bureaus, agencies, and offices.

I believe there will be gradually evolved and developed a national program or policy for agriculture and that we are laying the foundation for it now. Certainly all the differences of opinion about what to do for agriculture point that way. Aid to agriculture is a live topic, and the formulation of any national policy or program at the present time has all the symptoms of growing pains. These usually follow emergency periods such as we have gone through in the past few years and precede the development of a permanent national policy or program which influences as many people as does agriculture.

To the old established regulatory and research activities of the United States Department of Agriculture and the Extension Service there have been added during the last several years a number of action agencies, the Triple A, the Soil Conservation Service, and the Farm Security Administration, all designed to contribute in a more intensive way to the solution of some specific phases of the more important rural problems.

It is probable these action agencies may be permanent and the beginning of a permanent national program or policy for agriculture. If this is the case, and I think there should be a national agricultural program, it follows that any State, regional, county, or community rural program should be planned that all facts, information, aids, and benefits from the national program be utilized. A national program for agriculture is of no great consequence unless it benefits and is participated in by the great majority of the people on the six and a half million farms in the United States. Whatever that program may be it has to be adapted to the farmers and farm women on the many different types of farms in the many different kinds of rural communities in the United States.

The second source of facts and information is the land-grant college with its experiment station, resident instructional faculty, and extension staff. This source of information is closer to the people than the United States Department of Agriculture. The functions of the land-grant college of agriculture are well known and need no great amount of discussion. It has been created to study agricultural and home economics problems peculiar to the State and conduct research looking toward recommending practices that will contribute to the solution of these problems. The personnel in the land-grant college should know more about the rural problems in their respective State and the

data and information helpful in solving these problems than anyone else. This is what they are there for. They have frequent, intimate contact with the rural people that have to deal with these problems. All data and information from the United States Department of Agriculture should be in accord with data and information of the land-grant college.

The third source of facts and information is from the rural people themselves, based on their practical experience with conditions in the communities where they reside. In my judgment that is one of the most important sources of information on which to predicate any rural development program. Before we can intelligently apply facts from the United States Department of Agriculture and the land-grant college, we have to know conditions in the area to which they are to be applied.

One of the mistakes we made in the early days of extension teaching was that we underestimated the knowledge of rural people concerning farm and home practices best adapted to them in their particular environment. Some of us even at the present time forget this and underestimate the knowledge which rural people themselves have about agriculture and home economics. I know this is done by some of the members of our own extension staff. They assume they know the problems, but frequently they do not know all phases of them. How can any specialist aid in solving a problem when he or she does not know what the problem is?

Officials of the United States Department of Agriculture and the land-grant college have had little or no experience in the operation of farms and managing the homes in the areas for which their information is intended. Before facts and information of the United States Department of Agriculture and the land-grant college can be useful they have to be practically applied to individual farms, homes, and communities.

It has been my observation there are good reasons for every farm practice that is prevalent in a community or region and that these practices and systems of farming and home management are based on many years practical experience to meet conditions best adapted to that region or community. I have also observed there are usually good reasons why farmers do not change old-established practices readily for new practices recommended: (1) uncertainty whether the new practice is better than the old in the light of trying new things before and uncertain results; (2) lack of money to put recommended practices into operation; (3) practices not suitable to farm's individual economy; (4) lack of detailed knowledge enough to put the new practice into operation as well as old practice; (5) a general inertia against changing, and many other reasons.

It is obvious why a farmer does not use an improved variety of seed corn which costs \$3.50 a bushel if he does not have the \$3.50. Lack of money is frequently the reason better recommended practices are not adapted. It is here the action agencies of the United States Department of Agriculture who have money to advance or loan to farmers can do a tremendous amount of good in supplementing the research work of the United States Department of Agriculture and the land-grant college. They can provide the money for farmers to put into action many better farm practices. We wonder why many farmers do

not participate in the soil-conservation program of the Tripla A. They must have a certain amount of cash-crop income to meet living and other expenses. Adjustment in keeping with the Triple A regulations does not always bring in the necessary amount of income.

The farmer knows more about his individual farm, productive capacity of the land, and the adaptation of certain crops than anyone else. He ought to, because he works the land. He knows which field is wet and which it takes three mules to plow instead of two, and yet we wonder why he does not put that field in a certain crop which we recommend and make an adjustment which we think should be made in that particular field. Probably it may require too many mules to break it up and he does not have the horsepower to use at the time that particular field should be broken. People in a community know more about that community and its needs and what developments are possible than people that do not live there--economists and specialists of the college. Similarly, the specialist knows a lot of facts which the farmer does not know but which if he did would prove useful to him, but the specialist must know the farmer's and the homemaker's problems before facts and information can be applied to aid in solving them. The knowledge of the farmer, the homemaker, and the specialist supplement each other.

The first step in building any rural program is to know what the problems really are; what the reasons are for performing certain farm practices; whether they are based on custom, tradition, finance, or other factors that influence farm and home practices. In other words, what causes people to do the things peculiar to that community or area?

These can be determined only by a picture or analysis of conditions in the different types of farming areas. The best way to get these pictures and this information is from farmers and farm women through farm and home-management records; farm, home, and community surveys for the various rural areas in which program planning is contemplated; and through knowledge of the type of soils, climatic conditions, and other factors which influence farming systems in the particular area. In my judgment this is one of the most important sources of facts. Data from records of many farms and of the same farms over a long period of years make possible a fairly accurate analysis of conditions in a region and on individual farms. Similarly, data from home-management records from many homes give a picture of conditions that prevail in a particular home, region, or area. Personally I think it is the analysis of the data from farm and home-management records that we are going to have to depend on largely in planning rural programs both for an annual year's work and from a long-time point of view. This, in my opinion, is the only intelligent way to do it. It is only with such a background and experience gained thereby that it is possible to effectively utilize the data from research activities of the United States Department of Agriculture, the action agencies of the United States Department of Agriculture, and data from the college, experiment station, and other sources. In other words, we have to know conditions and problems that actually exist in the various types of farming areas before we can intelligently use data from these other sources; otherwise much of our work does not bring results. Let me emphasize again that the first step in program building is to know what the problems really are.

I think we have, for years, assumed that we knew what these problems were when we did not. One of the fine things in the past 3 or 4 years resulting from the activities of these action agencies is that it has brought to our knowledge how little we know about the rural life in our own State. There is a lot that could be said about that.

This year in planning our extension work for 1938 I have asked our specialists and district agents to answer the following questions, the answers to which would be their plan of work for the year:

1. What are the problems in your field in the various type of farming areas in this State?
2. What are you going to do about contributing to a solution to some of these problems?
3. Why are you going to do something about it?
4. What procedure are you going to follow?
5. When are you going to do it?
6. What do you expect to accomplish by January 1939?

When we stop to analyze the situation it is surprising how little we know. At least we are starting some of our staff members to thinking about them in a way they never have before, and that is progress. Now, if the college is so remote from the farming areas that some of their staff do not know what the real problems are, it is much longer to Washington. I say this without criticism and merely to emphasize the need of a closer cooperation between the bureaus and agencies of the United States Department of Agriculture, the State extension organization, and the land-grant college in determining these problems, and the coordination of agencies of the United States Department of Agriculture in making a contribution to a solution of many of these problems.

When I look back over the years I have been engaged in extension teaching and consider the subject matter taught 20 years ago, the simplicity and directness of it in contrast with the vast amount of research, home economics, and phases of rural life which has accumulated in intervening years, the thing that impresses me most is the progress that has been made in extension teaching and how much we still have to learn about rural conditions in the State, how many more facts there are for us to find out before any of our recommendations can be made more specific in the various types of farming areas. This will always be the case as long as we live in a world that changes, due to the forces of progression.

The agricultural extension service is the logical agency to assemble the facts and information from the United States Department of Agriculture and the land-grant college of agriculture, interpret it, and synthesize it with the facts and information from the rural people, put it in teachable form, and take it to the rural people in the various areas of the State that they may use it in program determination.

The Extension Service, of the United States Department of Agriculture, should be the contact office of the United States Department of Agriculture and all its bureaus and agencies, including action agencies, with the agricultural extension service and land-grant college in the several States, and through them to rural people. The Extension Service in the Department of Agriculture should be the bottleneck through which all information should come to the people in the States. It is not that way yet, but good administration would indicate that is the way it ought to be. The cooperative extension service was created by Act of Congress to take the work of the United States Department of Agriculture and the land-grant college to rural people. For years it was the contact of the college and the United States Department of Agriculture with farmers and farm women for all activities. It should continue to function that way. If an administrative relationship of this kind was adhered to it would make possible sane, sensible, and systematic rural program planning instead of opposite conditions we now have with several United States Department of Agriculture agencies, each trying to make their own contacts with farms and homes, and the work of all these agencies would be more efficiently and economically done because of work of the various agencies complementing each other. Agricultural extension has aided most of these agencies establish themselves in the counties anyhow and devoted a large portion of its time in cooperating with them. The county agents have aided in setting up most of the county committees which are helping to plan the programs of these various agencies. There is room, however, for closer coordination of all these agencies in the counties in contributing to the development of one county rural program.

A closer administrative relationship between the Extension Service and the action agencies of the United States Department of Agriculture of course means that the State extension service would have to assume greater responsibility in the administration of the action programs. The Extension Service can do this, and each extension worker to most effectively utilize data and information from the United States Department of Agriculture in aiding rural people plan development programs must be familiar with the research work and the activities of the action agencies of the United States Department of Agriculture. All these data and information have to be adapted to the needs of people on many different types of farms in many different kinds of communities in the State. It is necessary for the extension worker to know the objectives of each of these action agencies, the peculiar rural problems they were created to aid in solving, and their administrative procedure, that they may all be coordinated together to make some contribution to the development of rural programs in the State.

I do not think it is the function of any of the action agencies or other bureaus of the United States Department of Agriculture to be contacting rural people. It seems to me it is the function of the State agricultural extension service and the Extension Service, of the United States Department of Agriculture, to aid rural people in planning rural programs and adapt all the work and activities of the United States Department of Agriculture that applies to a particular region or area, so that each agency or bureau can make the greatest contribution.

Type of Farming Areas

The second step in the planning of a program is analyzing the rural areas of the State and defining them into distinct type-of-farming areas, and outlining them on a map. We have done that. All facts and information must be adapted to each area. The programs adapted to each area will be considerably different from those for other areas. There is no use for an extension specialist to teach the same subject matter or endeavor to develop the same projects every place in the State. It won't work. Consider a State like Tennessee, for example, which is a border line between the North and South and has entirely different types of agriculture in its different regions. In the eastern portion of the State we have a certain distinct type of farming--Burley tobacco, grain, beef cattle, poultry, wheat, corn, and other crops which go with a well-diversified farming area. In the western portion of the State the outstanding crop is cotton, and in certain areas there is a tendency to one crop exclusively. On the Cumberland plateau we have another distinct type of farming area. And so you can take every State and break it down into certain well-defined types-of-farming areas in which farmers from many years' experience have found the most successful type of farming for those particular areas.

It has been our observation that in every community and type of farming area there are certain farmers who are outstanding, whose income is high for the particular type of area in which they are located. Analysis of their farming operations indicate they are in the main practicing the type of farming best adapted to their region. Our business then is to develop a program that will encourage other farmers in these areas to do the same thing.

Topography, climate, and crop adaptation to a very large degree fix the type of farming it is possible to practice in any region or area, and this to a large degree determines the income. The income from the farm fixes to a very large degree the standard of living on the farm and the type of home life which is developed there. It is highly important that all the specialists be thoroughly familiar with the different types of farming areas, and that county agents be familiar with them, as well as the farm and home management practice prevalent in these regions on the most successful farms.

Analyzing the Problems in Each Type of Farming Area

The third step in rural program planning is for the farm-management economists, commodity specialists, home economists, and district agents, in fact the whole extension staff to get together, pool their thought, and determine as best they can what the major rural problems really are in each of the various types of farming areas. This requires considerable thought and study and the analysis of all available farm and home economics data and information available for each area. This brings up many questions. For example, is the region placing too much dependence on one crop? Is low income the result of poor, worn-out soil? Should there be fewer acres in row crops and more acres in grass and legumes? In the event too great a dependence is being placed on one crop, what additional crops can be introduced to supplement the main cash crop? What aid can the Farm Security give to low-income farms? How can the

Triple A Soil Conservation payments be used to bring adjustments that will improve the systems of farming and increase farm income? Is this area economically suited to dairy development, beef cattle, or sheep? From the best information available, what type of farming system should be developed in each type of farming area? What home economics practices can be encouraged among families in a certain area? These and a host of other similar questions present themselves when we begin to consider the rural development that it is desirable to encourage from a long-time point of view. In other words, it is desired the entire staff have a uniform point of view and chart out for each type of farming area a sound fundamental rural program involving the farm, the home, and the community, not only for 1 year but for many years in the future, which topography of land, soil types, and other factors indicate is in the best interest of the people in each area. With all the information from the three sources mentioned there are still many problems to which there has not yet been found the answer, nor even a part of the answer.

We are endeavoring to have each specialist think of his or her work as making a contribution to the development of the entire rural program for each area, properly related and coordinated with the work of the other specialists, rather than thinking of their work as disassociated from the work of the other specialists. For example, if beef cattle and sheep are a desired development in any region, there must be the proper balance between beef cattle and sheep according to the feed and pasture. This means the sheep specialist and beef cattle specialist must work together in the best interest of the farmer who has this combination of livestock on his farm. A similar relationship is desired with the other specialists who can make a contribution to the development of the program.

Getting an extension staff, and especially a group of commodity specialists, to have a uniform point of view and visualize their proper relationship to a broad rural program for an area is rather difficult. Some commodity specialists have a very restricted point of view. All they can see in the program is beef cattle, sheep, swine, or dairy cattle, or tobacco, or whatever their specialty is, and would have the whole region devoted to each one of these commodities. Yet the most profitable farm ordinarily is one that has from five to seven sources of income, and a good balance between crops and livestock, to utilize the labor on the farm to the best advantage. Just as a farm must be balanced, so the contribution the specialists make to the farming systems in these areas must be properly balanced, and each specialist's demonstration work should encourage the trend and development that is desired in the program.

Taking the Tentative Program to the County Extension Agents in Each Type of Farming Area

After the headquarters staff has tentatively charted out what they think is the most desirable type of rural program for each type of farming area, the fourth step is to discuss the program with the county agents and home demonstration agents in the respective type of farming areas. The agents in each type of farming area are called together in group meetings and the program for their area thoroughly discussed with them, from the viewpoint of

getting their opinion and suggestions. It is not only important to get them in accord on a uniform viewpoint of program planning, but it is extremely important to get their viewpoint on the farm and home adjustments that should take place in their counties in that particular type of farming area. After all, they are closest to the rural problems in their respective counties and they should know more about needed adjustment than anyone else. It is also important that agents in the same kind of farming area have the same point of view on program planning for the area and that county programs follow the same trend throughout the entire area. Types of farming do not stop at county lines, but rather follow soil types, topography of land, and geographical and climatic conditions. Following these discussions the programs are further refined and modified in keeping with the needs of the people in the area.

Discussion of Program with County Planning Committees

The fifth step in county program planning is for the county agent and home demonstration agent to call the county planning committee together and present the tentatively suggested county program for discussion from a long-time viewpoint. Considerable thought and study should be given by this group to the nature of the program to be developed. With the suggestions of the county planning group, the program can be further refined and modified more definitely to the needs of the people in the area involved. It is not possible to outline in its entirety a program for all phases of rural life in the area. There are not enough facts from the United States Department of Agriculture, the college, and the rural people to do this. However, it is possible to lay the foundation of a more or less permanent program that involves fundamental farm and home practices. As additional data and information become available it will be possible to further amplify the program and develop it from year to year. The most important thing is to begin the laying of a foundation for a permanent long-time program of rural development in each county. There has to be a beginning sometime, and we can start with the practices and adjustments it is definitely known will contribute to the improvement of rural life in the respective area.

After the program has been definitely determined and approved by the county planning group, the next step is for the county agents and home demonstration agents to acquaint as many people as possible in all the communities of the county and enlist their cooperation in its development. All agricultural extension work in the respective area, the work of county agents, specialists, administrative agents, and all the work of the United States Department of Agriculture and its bureaus and agencies should be coordinated to the development of that program.

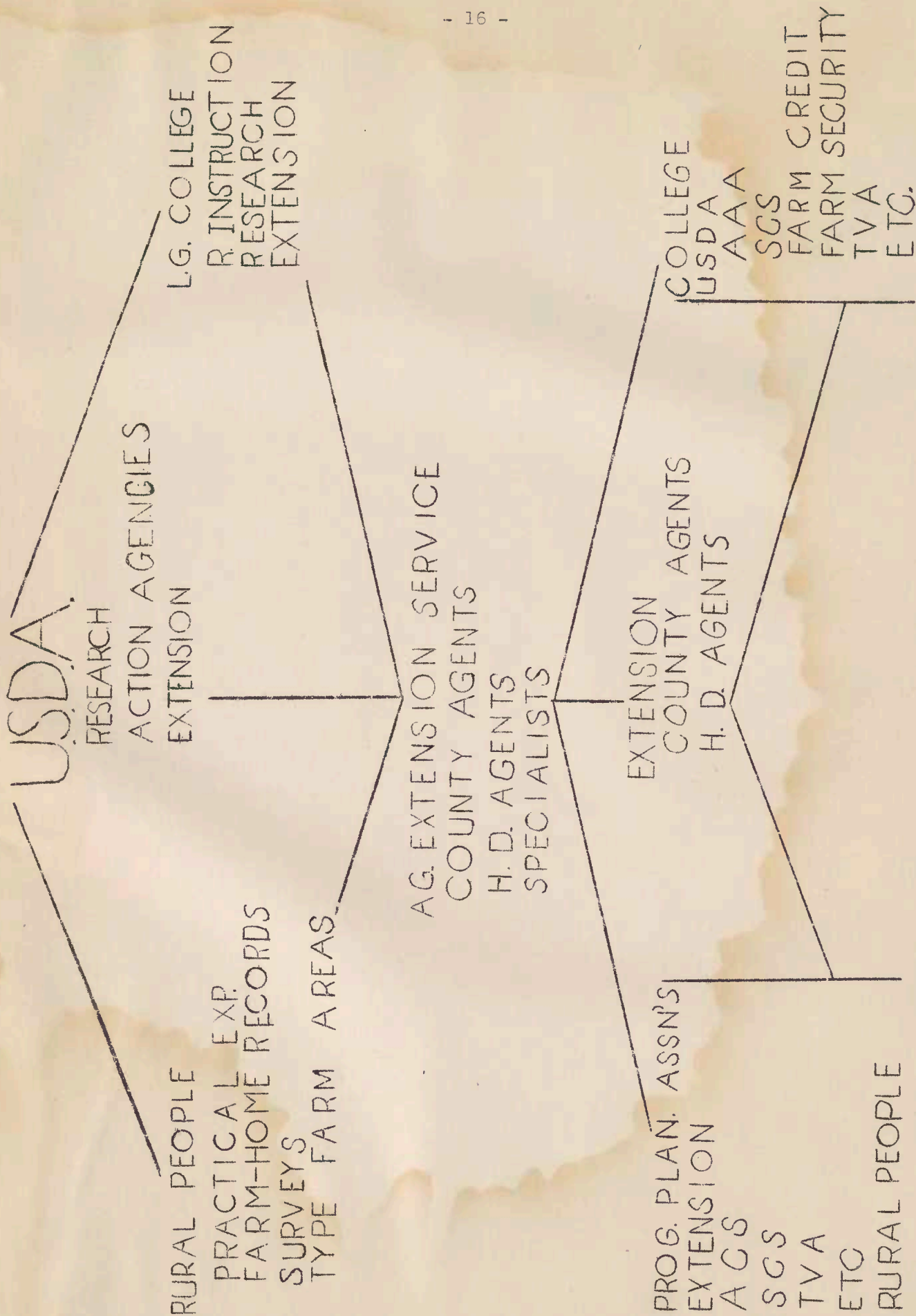
After all, there is only one sound correct rural program for any area. Our function from all the data and information available is to aid rural people in determining what that program should be and then aid them in its development. This means that extension work and the work of other agencies should be directed to cumulatively developing that program from year to year so that at stipulated intervals it is possible to evaluate the progress that people are making for their improvement.

It is not possible for an extension organization to emphasize each year all the things that might be included in a comprehensive program for any area, as shown in chart 2. However, it is possible to emphasize and intensify education and guidance on certain phases of the program in different years. This gives a new approach to the program development each year and at the same time keeps interest alive in the entire program. Also, we know that intensifying education on certain activities is the most effective way to get practices adopted by a greater number of people.

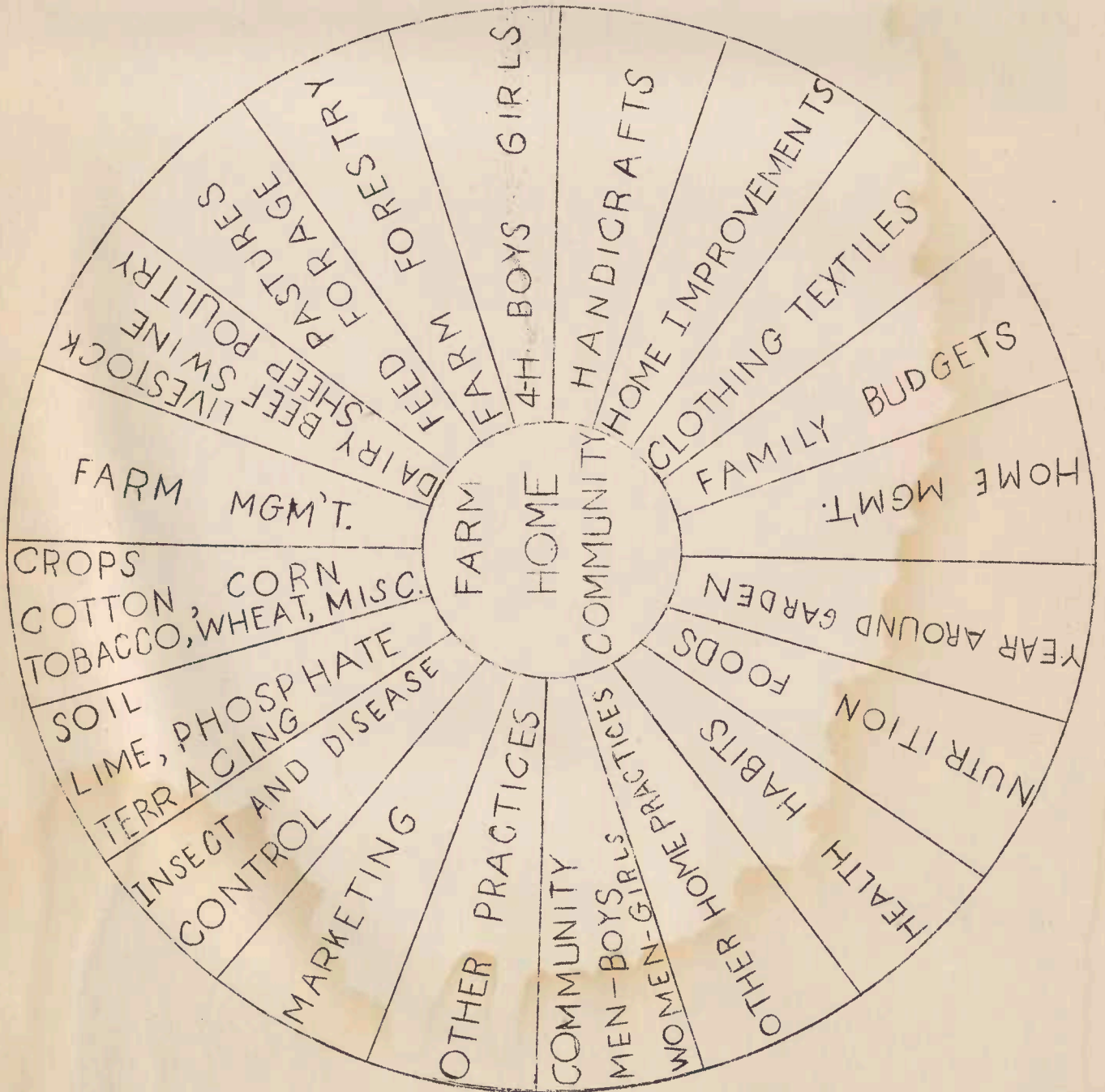
The administration of the agricultural extension service must take cognizance of the importance of continuity of these county and type-of-farming-area programs. County agents and home demonstration agents must be employed who are by training and experience best qualified to develop programs in certain types of counties. For example, in a county where tobacco and beef cattle are important in program development it is unwise to put a county agent whose experience and training has been with cotton and dairying. County agents and home demonstration agents must be employed to fit the work to be done. We have been somewhat careless about this in years past.

In the event a county agent resigns or is charged the same program goes on in the county. The new agent takes up where the other agent leaves off. This is logical if the program is the correct one for the county. It is the function of the district agent to see this is done. In the past there has been too much change of programs in counties due to change of agents. This indicates there is no sound program for the county. When a new agent goes on we frequently get a new county program, according to his or her perspective of the work and personal background, knowledge, and experience. This has been one of the great weaknesses in the continuity of program development in counties by extension organizations.

There is much more that could be said on the subjects I have been discussing. There is a lot we do not know. It is a big field for further exploration. What I have said merely reflects my own opinions on some of these things, and as I said at the outset, I do not know the answers to many of these questions. Again let me say I appreciate the privilege of being with you and the courtesy with which you have listened to me.



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PROBLEMS ON OBTAINING THE BEST USE OF LAND

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PROBLEMS OF OBTAINING THE BEST USE OF LAND*

By

L. C. Gray, Principal Agricultural Economist,
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Ladies and Gentlemen: Mr. Dixon has indicated that I have been talking about land-use planning for quite a long while. Quite a long while seems a very academic phrase, and one might use the scriptural metaphor that one feels a little like "A voice crying in the wilderness." I suppose that is literally true because we were making a wilderness during that period and had been doing it for a long time, and still more or less in the process of doing it, although we are now awake to that fact and beginning to take steps to correct the trend.

I am going to take the privilege of an old college professor starting out in a thoroughly academic way with a sort of schematic approach. I suppose we could open up this subject of the problems in obtaining the best use of land by recognizing that the problems fall into two main categories, those that are at least theoretically within the power of the individual farmer to affect, and those which are outside his control. We know that in our old land policy we gave away most of our land that was of any account so far as agriculture was concerned, and therefore a large proportion of it is in private ownership and under private control; and in the form of tenure which we adopted, we gave almost unlimited rights and abuses to the one who owned land and almost unlimited rights as to the disposition of land, called the transfer of ownership. Many of our problems of better land use then lie at least theoretically within the power of the individual farmers who control the situation, but we all know, and perhaps the extension people more vividly realize it than those of us who sit back at our desks here in Washington, that while the farmers as individuals do have theoretical power over their land to bring about better land use, to a very large extent they are not availing themselves of that power and privilege.

There seem to be a number of reasons for that. I will still maintain my academic, college professor, schematic way of presenting the thing. Ignorance and inertia account for much of this problem. To a very large extent these have been factors: lack of knowledge of what to do, lack of realization of the seriousness of the job, lack of any particular sense of responsibility or sense of total responsibility, and the inertia that grows out of those attitudes of mind.

* Address before Extension Service staff, Washington, D. C., December 14, 1937.

Second, the lack of profit incentive. To a very considerable extent bad land use has at least appeared to pay. Throughout our history we have had the practice of undermining soils, being careless about erosion. If one takes the history of the South, to which I devoted some attention in the time past, one is impressed by the practice of consciously and purposefully exhausting one farm and then going on to another, being quite satisfied to do that. There appeared to be, at least to these people, perhaps partly through ignorance, a practicable relationship between soil exhaustion and their mode of farming operation, and we find the attitude of mind on the part of many farmers that if we are going to induce them to utilize the land in better ways, we should pay them for it. We are undertaking to do that through the Triple A and in a way indirectly through the Soil Conservation Service.

And then, third, I suppose we can recognize as reasons why farmers do not make better use of their land such disabilities as lack of capital, heavy debt burdens, and other situations they have got into which make it impossible or impracticable for them to take those steps which are necessary or incur those costs which are involved in bringing about better use of their farm land.

Fourth, one of the most obvious reasons is the form of land tenure which we now have. We all recognize, or have come to recognize, that tenancy and the form of tenancy that we have in America is very conducive to a careless attitude in the use of land on the part of those who are actually working it. I suppose one should go on and enumerate other reasons why farmers, although they have control over their land and the mode of its use, fail to avail themselves of the opportunity of bringing about better land use. Some of these reasons are very fundamental, as the last one I have just mentioned: tenancy.

You will obviously recognize it is a very fundamental one, and a very difficult one to deal with. We have just begun to try to deal with it in any constructive fashion as a nation and are taking some very halting and perhaps very inadequate steps at the present time to deal with that particular obstacle.

Then pursuing our economic classification a little further, we recognize that there are classes of problems in land use which are not within the control of an individual farmer. There are conditions and situations which he can't help, however good his motive may be, however much the profit economically may stimulate him to want to carry on better land use, and so on. One of the most obvious of these uncontrollable situations is the very improper distribution of farm population which we have had over the land area of the country. I mean improper in the sense that people have occupied areas that would much better have been used for something else. They have occupied them for farming purposes. One might go on and at great length outline the conditions that have brought that about, but that would take us too far afield.

To a wide extent in some cases they have occupied areas that were originally good but are no longer good: they have become hopeless because of soil exhaustion. Bad distribution is another cause of this submarginality, as is also the pattern of occupancy, which is the pattern of distribution looked at

from the standpoint of social and institutional interests. Then also associated with these conditions one finds that our homestead system, and to a certain extent other conditions and causes, have brought about the occupancy of units that are entirely too small to maintain a decent standard of living, or, putting it in another way, a very prevalent aspect of it, entirely too small to permit the type of farming that will maintain the soil and at the same time give the farmer a reasonable standard of living.

Now, let me go a little further with that. One finds growing out of these basic conditions over which the individual farmer has little control-- , but just let me depart for a moment from the point that I was approaching, to say that it is quite apparent on the face of the thing that the farmer does have control over this situation, that he can do something about it. We used to assume in our older economics, years ago, certainly when I came into the Department, that if one had said a farm was too small the answer would have been, "All right, let him get a larger farm. He can get a larger farm either by renting some more land or he can get a larger farm by buying some more land. Or, if he can't do that in his present location, he can go somewhere else and buy a larger farm." In any of these areas that we are talking about that isn't possible. The basic situation in those areas is that you have too many people there. We encouraged too many people to go there by our homestead system and through our former land policy.

So some of those areas are overpopulated, and since they are overpopulated the average size of farms necessarily is too small, and the individual is helpless to do anything about it. One man here and there may be able to make an adjustment, but the bulk of the people can't do it. Broadly speaking, the same thing is true of the submarginal land system, the occupancy of lands unsuitable for farming, because while one man may occasionally make his adjustment and escape his unfortunate environment, it is very difficult for the great bulk of them to do so. Even if they did, there would still remain the question of what to do about those remaining. The process of escaping usually tends to make the situation worse because people can't all leave at one time. You would not find a wholesale hegira or exodus from one of those areas that we think of as submarginal. What happens is that one or two people do escape from the area and some of the farms then become abandoned, and being abandoned, the situation becomes worse for those who remain because the burden of maintaining the schools and the roads becomes heavier for them. Perhaps their abandoned farms become sources of weed infestation, and the community becomes a less desirable place to live. Tax delinquency is further stimulated by these situations.

We have been studying the location of areas of these types for some time. You find that these areas, that is, subnormal areas, present a complex of various elements or conditions of disadvantage which are all more or less associated together. That is, you have types of soil unsuited for arable farming. You have farms that are unduly small for the type of farming that might be carried on in such areas. You have the handicaps of excess tax delinquency. You have a certain amount of subnormality in the human material because there is a process of sorting that goes on under which the more fortunate people either do not go on these lands or if they do they manage to

escape. One perhaps can exaggerate that element in the picture too much. You have in these areas also -- I am speaking of this general complex of unfortunate and unfavorable conditions -- a great deal of poverty, which means insufficient capital to do even those things that might help check the progress of bad land use.

You have erosion going on, wind erosion and water erosion, and out of all these conditions of course spring phenomena that affect even the better farmers farther away, because floods originate in these areas as a result of the bad land use, and dust is blown from poorer farms onto good ones, to a certain extent impairing health.

We have been studying the location of areas of this type for a good while. Obviously it is very difficult to get, with the amount of funds one can command for field study, the precise locations of the units in these areas where this complex of conditions exists. So we have had to rely on more or less generalized maps, which we are trying to refine more and more after we find it possible to go into areas and make detailed farm studies. The first map I have up here is one that is perhaps already familiar to most of you. It is a map showing areas in which there appears to be warranted encouragement of a change from crop or arable farming to stock ranching in the case of these areas here (indicating). Let me say not necessarily complete stock ranching, but at least more livestock and more range use in the farm, although it may be associated with some crop production, particularly the raising of feed crops.

And then the black areas are those where it appears to be desirable to move in the direction of more utilization of the arable lands, or at least of the farms themselves, for forest or for some of the multiple uses that are associated with forests, such as wildlife and recreation. And when you look at that map of course you will say: "I know some of those areas and I know that not all of them, not all parts of them, are characterized by these conditions," and you will be correct in that. Just as I said, we haven't been able to go down to the details and pick out every farm that is characterized by the unfortunate complex of conditions that I have mentioned. What we are thinking of at the present time is areas where you have a predominance of these conditions. Perhaps this title is a little bit misleading too for this reason: you will notice some of these areas here in, for instance, the Highland Region which are colored almost solid black, and the suggestion is that we would have better conditions if we changed the use of land from crop farming to forestry. Those of you who are familiar with the Southern Appalachian area are probably keenly aware of the fact that it would be extremely difficult and perhaps unwise to try to buy up all of the land that is now occupied by little farmers and put that land in forest. We know that many of these people are very difficult to relocate, very difficult to readjust, and it would take a very long time to relocate them properly. They are people not accustomed to a capitalistic and commercial type of economy, having worked out a mode of life along the lines of self-efficiency, however crude it may be based upon urban standards or upon commercial standards. This is not necessarily our way of life, but our feeling about it is one of considerable humility and considerable tentativeness. If you imagine that we advocate

or have in mind a wholesale program of removal of that population, you are very much mistaken. We feel and have felt for some years that the approach to that problem is the ultimate thinning out of population by the acquisition of the most hopeless situations, combined with a program of education of the right type which will enable those people to help themselves more effectively where they are. There are great limitations to those possibilities, but the right type of educational approach can do much to alleviate conditions in that territory.

On the other hand, take an area like the Great Plains region of subnormality in land use where the farmers have come in with a view to commercial farming, where they have all the instincts of the commercial farmer, where they have the experience and the capacity, to a large degree, for that type of farming, and where nevertheless you find them in situations where bankruptcy is the only answer. There you have a situation where a program of removal of the excess population, at least, and the encouragement of readjustment along sound lines appear to be logical and desirable.

This other map, the lower map here, is one that shows the areas where there is a predominance of unduly small holdings. Those areas are to a certain extent co-terminus with the other ones but not entirely so. Now, in the few moments that remain I think I can do no more than to say that these areas of subnormality are obviously very extensive. They are not only very extensive in area, but also in the number of people affected or involved. Our census figures indicate that there are about 9,000 families on American farms with a gross income of less than \$400 a year, and approximately a half million families on the type of land I have been speaking of, that is, land that is unduly poor for the type of farming that they are trying to carry on.

Problems of these subnormal areas have to be attacked from many different angles, as I am sure you all realize. There is no one panacea for them. There is no one answer to these critical problems, and in the emergence of our thought on land use and the attention that is being more and more given to that subject, various approaches are being recognized. All I will do is to mention a few of them this morning without elaborating, because there is not time to do that. And since the Extension Service is giving more and more study to this field, many of you are quite familiar with the experiments being carried on as to the possibilities and limitations of these different local reports. One thing is very clear: the basis of all readjustment in areas of this type is land-use planning. Land-use planning has to be the basis because you have a very serious complex of conditions and a great variation in conditions in different parts of an area: trying to apply one solution haphazardly and universally over an entire area would lead you into a great many mistakes. You have to have land planning in order to differentiate the problems from an area standpoint, noting the different lights and shadows of the situation in the different parts of the area. You have to have it because the pathological conditions are of social significance, and the use of land has to be considered in terms of its social implications as well as its mere profit-making implications. I believe that the thought of the Department is fully cognizant now of the need for land-use planning. In fact, after the small start we made in coming to this recognition one is

almost impressed with the fact that we are too excited about it, too many people are trying to engage in it. It is being attacked from too many angles, and perhaps with an undue lack of unity and integration. But we know that the Department has really taken steps to correct as far as the Department itself is concerned the lack of unity in the various programs of land-use planning.

Then there is, of course, zoning, rural zoning, which is still quite experimental. As you know, there has been a conference at Chicago this past week on that subject. It is quite experimental from an economic and social standpoint, and it is also quite experimental from a legal standpoint. It depends, as you know, on the police power, and we don't know how far the courts are willing to go in rural areas in permitting the extension of the police power.

Another thing you have heard about is the formation of Soil Conservation districts--areas which have the right to exercise the police authority of the State to control the use of land. The limits of that are still untested. We don't know how far the courts will permit localities to go in controlling the use of private property from the standpoint of social welfare.

And third, of course, is the subsidy approach which is embodied in the Triple A program. I don't need to say, of course, that that is a very direct approach and at the same time it is one that is, to a certain extent, dependent for its success on the continuance of a subsidy policy indefinitely. I don't need to emphasize the fact that it does not overcome some of these basic conditions that we have mentioned, such as unduly small holdings, tax delinquency, and some of phenomena that are associated with bad land use in these subnormal areas. There needs to be an attack on this whole problem of tax delinquency because you know the States have developed policies in the past which are based on the idea of merely selling into private ownership the land that becomes tax delinquent, without reference to the type of holding or ownership that emerges by that process, and the type of land use that results, or without considering whether or not the land is of a type that is adapted to private utilization of ownership. There lies here a great field of readjustment in conceptions and in legislative approach to the problem.

Then, of course, there is the revision of our tenure program, of our tenure policy. You are all familiar with the Bankhead-Jones Bill, possibly with the report of the President's Committee and with the fact that the Act that emerged in Congress is quite different in character from that recommended by the report. There isn't time to go into that big subject and I will not attempt it.

And finally there is the attack by means of repossession or acquisition of some of these lands. As you know, that was begun 3 years ago, first by the F. E. R. A. in cooperation with the Department, and then later by Resettlement. Under that program there were about 9,100,000 acres acquired. That program was not as completely an agricultural adjustment program as it should have been, because at the very beginning it was warped into a much broader kind of program aimed at buying any kind of land that might need to be put to better use, including cut-over lands, swamp lands for wildlife preserves or recreational purposes, and so on.

Then in Title 3 of the Bankhead-Jones Bill there was provided for the first time by legislation a continued attack on this problem for at least a 3-year period. We are in the process now of shaping such a program.

I see that I have already reached my limit of time, and I don't believe that I had better go further into an attempt to describe the objectives or limitations that we have set for ourselves in that program. I would like to say just this, however, that we propose to make it very much more of an agricultural adjustment program than the old program was; in fact, that we propose to make it exclusively, entirely an agricultural adjustment program. Furthermore, we recognize the impossibility of using land purchased to solve all these problems by itself, and therefore we propose to use the instrument of land acquisition as far as we can in association with these other means of bringing about better land use, to link land acquisition with zoning and with the formation of conservation districts. It will be correlated as well with an educational program through the Extension Service, and with an attempt to correct tax delinquency and to bring about a type of taxation that is better adjusted to sound land use. Perhaps along those lines we may use the process of Federal purchase as a stimulant rather than a universal panacea or corrective; that is, as a stimulant to bring about in these subnormal and more or less wrecked areas (both physically and humanly considered) a process of land-use planning, a local recognition of the seriousness of the problem, and the encouragement of steps to correct it. Finally, we do not contemplate in even the problem areas a complete blocking up program of purchase. Through the discriminating purchase of certain parts of the area or certain tracts in the area it may be possible to make these other controls effective--controls such as cooperative grazing districts--and to secure a more complete conservation of the entire area through attaining a constructive type of land utilization.

I think that is about all the time that I should take and perhaps a little more, and I would be very glad to stop at this point and answer any questions.

Further Remarks by Dr. Gray re:
Problems in Obtaining the Best Use of Land

Q. In view of the relative permanence of location of families in the rough and mountainous areas of the East, would a land-zoning approach to land use, such as now being employed in Wisconsin, be feasible in these areas?

A. I don't believe so. Take typical areas of mountains--not much new settlement going on--certain amount of clearing, certain amount of subdivision of already unduly small holdings. In the main it does not seem to me zoning would accomplish much work. The best opportunity for zoning to be really effective would be in some of the areas of the Northern States and part of the Western Plains.

Q. What can Extension Service do to forward the approaches which you have outlined?

A. A great deal of helpful work has already been done as far as our program is concerned. Extension Service has helped to create local understanding and comprehension of objectives. It has supplied some of the best project managers in land-planning work. We welcome the opportunity for closer cooperation than in the county planning program. The county planning program by itself has distinct limitations; at the same time, distinct advantages. It has the advantage of helping the local people who do their own planning and letting the planning program itself grow out of local experience, local knowledge, and common sense. Nevertheless, it is highly important that local judgments be supplemented by adequate technical analyses; otherwise local planning is likely to be influenced unduly by local situations and not have sufficiently wide sweep and a full comprehension of the relationship of local adjustments to national policies.

Q. What are some of the basic plans for zoning and reasons for them?

A. The only place where zoning has had any extensive application thus far has been in northern Wisconsin, and the motivating interest has been to get rid of excessive cost of schools and roads. All the taxpayers in the State are interested because they as well as local taxpayers are helping to carry the burden.

Q. What limitations are there on coordination of land-use planning with A. A. A., F. S. A., S. C. S., Forestry, and other national programs?

A. We all know how hard it is for bureaucrats to cooperate--not due to unwillingness but because they are busy with their own particular programs, and don't have time. We need more coordination in all programs. Sometimes field men get together and work out some kind of sensible adjustment without referring it to their superiors in Washington.

Q. What areas can absorb additional farmers? To what extent can city industries absorb more farm people?

A. Great variation between possibilities at the top of economic cycle and bottom; people that can't get jobs in the city pour out into the country and to a certain extent some pour back. Whether or not industry can and will permanently drain off the surplus population of rural areas is a question I don't believe I am competent to answer, and I don't believe the best statistician in the country can answer it in an unqualified fashion. The large population that finds it difficult to get remunerative employment is a great handicap in rural areas.

Q. To what extent has land-use planning so far taken into consideration the size of family that farms in various problem areas can support? Is it not true that families on submarginal farms tend to be larger than those on fairly prosperous farms?

A. We do take into account the size of families in working out a plan for the utilization of land by those who would remain in a purchase area.

Q. Isn't an improved tenant system of as much or more importance than efforts to enable more tenants to become land owners?

A. Unqualifiedly yes. A good deal was said in the President's report about a program of purchase for tenants--providing an opportunity at the top for better class.

Q. What is relative merit of high percentage, mortgage, debt, ownership, and tenancy in maintaining soil resources?

Q. To what extent is it planned to move farmers from the western Great Plains area to future irrigation districts such as that surrounding the Grand Coulee Dam?

Q. Considering present conditions, what is the practical procedure to follow in sections of the United States where there are too many families on the land?

A. Two classes: those areas where character of farming is essentially commercial and areas in mountains in Southern Appalachians and Ozarks where the economy is predominantly self-sufficing. For the first class, the problem seems to call for a definite program of thinking out the population and reshaping the type of holdings.

The second class is a little more difficult and the approach should be more along educational lines and along lines of subsidized maintenance of right kind of institutions.

PROBLEMS IN ADJUSTING SUPPLY TO DEMAND
BY MEANS OF PRODUCTION GOALS

O. V. Wells, Chief,
Prod. Planning Sec.,
A. A. A.

Problems in Adjusting Supply to Demand by
Means of:

Production Goals

O. V. Wells, Chief,
Production Planning Section,
A.A.A.

*Substituting for
F. J. Elliott*

In this discussion I shall assume that every one is familiar with (1) the agricultural outlook work as it has been carried on since about 1922 or 1923, (2) the agricultural adjustment and agricultural conservation programs as they have been administered by the Agricultural Adjustment Administration since 1933, and (3) the county planning work as it has developed in 1935-36 and 1936-37. And, since my time is limited, I shall confine my discussion to the relation between the production-goal approach and Extension Service work as I see it.

We may approach the subject of production goals from the standpoint of either (a) the individual farmer, or (b) farmers as a group. The first approach is the more common approach and was the only approach that was given serious consideration until after the World War. That is, a steadily increasing population, an expanding industrial production, and a strong export market all combined to provide a reasonably good outlet for an expanding agricultural production up to about 1920. As a result, agricultural specialists were chiefly concerned with methods of lowering costs of production or with methods of increasing production. Even the statisticians were not worried about the price situation. In the report of the U. S. Commissioner of Agriculture for 1876, for example, the Statistician noted in one line that farmers had "seen the price (of cotton) decline 37 percent by an increased production in a single year of 38 percent", and then devoted almost eight consecutive pages to listing farms and plantations for which exceptionally high yields of cotton had been reported.

The first field of agricultural economics with which I became acquainted was farm management. A survey of early farm management studies would show that many of them were chiefly concerned with the seasonal distribution of the farm labor load, with the view of suggesting combinations of enterprises or systems of farming which would allow the farmer to carry a maximum work load. This tacitly assumed that the more the farmer and his family worked the more they produced, and that their income increased with production. During the World War this point of view was further reinforced by the need for war supplies, and you will find that the then Secretary of Agriculture was encouraging farmers to produce as much as possible even though it meant the breaking up of new land in the semi-arid Great Plains Region.

But after the World War, deflation, the slowing down in the rate of population growth and a more recent slowing down in the rate of industrial growth, the reconstruction of European agriculture and the expansion of wheat production in Canada, Australia, and Argentina, and cotton production in South America, Africa, and the Orient all combined to shift attention toward the need of economic readjustment. As a result, the fight for farm relief was started. In Congress this was largely a fight for subsidies--for money for subsidizing exports or for money to raise the price of the domestically-consumed portion of our agricultural production. Up to 1929 at least, it was

commonly believed that the real solution to the agricultural problem lay in expanding our export market and in bringing about a more efficient marketing system through the use of the cooperative marketing approach.

At the same time that the fight for agricultural relief was going on in Congress, the Bureau of Agricultural Economics and the Extension Service started their agricultural outlook work. This work was evidently based upon the assumption that an assisted "laissez-faire" system was desirable--that is, it was assumed that the farmers would solve their own problems by adjusting the use of their efforts and resources as among the several enterprises open to them, provided they were well informed as to the economic outlook. Since the individual farmer is not an economic technician, and since he cannot well afford to support a research organization to keep track of changes in supplies, consumption, prices, and foreign demand, it was assumed that this work was properly a function of the Department.

The Agricultural Outlook was chiefly concerned with the outlook for each commodity from the standpoint of the farmer as an individual. In fact, it was commonly admitted that if all farmers followed the advice actually given or implied in the Agricultural Outlook the general situation would not usually be improved. But in almost every Agricultural Outlook report there were certain statements which could be applied to the action of farmers as a group. Time after time, the forecasts in the Outlook were based upon the simple principle that an increased production could be expected to result in a decreased price and, with respect to several crops, that a small crop could be expected to be worth more than a large crop. It was the reiteration of this type of statement, together with the failure of foreign markets to expand and the failure of the Farm Board Program in the depression beginning in late 1929, which led to the enactment of the Agricultural Adjustment Act early in 1933.

With the enactment of the Agricultural Adjustment Act, attention was definitely shifted from the individual to the group viewpoint. We began to consider not how much each farmer should produce, but how much of each commodity farmers as a group should produce and how this total production should be distributed. We started by setting acreages which with average yields would tend to reduce the excessive stocks then on hand and help raise prices, and we distributed these acreages in terms of bases to individual farmers in accordance with their average acreage in some recent historical period--1932-33 for hogs and corn, and for most other crops the average for the five years, 1928-32.

For the first year or two this worked all right. But as a rule the acreages reported were larger than the Census or Crop Estimates had ever shown and the need for bringing in new producers and for allowing more equitable bases to producers whose historical acreages were low, made it extremely hard to keep the bases from gradually expanding as the program continued in operation. This, together with the shift to the agricultural conservation program as a result of the Supreme Court's action with

respect to production control in early 1936, led the Agricultural Adjustment Administration to abandon the base type of approach and to shift entirely over to a goal approach in announcing the Agricultural Conservation Program for 1938. That is, instead of setting up bases and making payments to farmers for each acre diverted from these bases, it is proposed to set up goals and make payments to farmers on the basis of the acreages included in these goals or on the acreages actually grown.

We believe and have believed for some time that this is a better approach. And it seems to me that there are three ways in which the Extension Service can help with this approach. These are: (1) To give more emphasis to the interpretation of the Agricultural Outlook in terms of national goals or of acreages which farmers as a group should direct efforts toward, (2) To give increasing emphasis to the county planning work in order to help harmonize the acreages needed on each individual farm from the standpoint of conservation and good farm management with the acreages needed from a national standpoint, and (3) To help in the development of experimental county programs in those areas where the current or proposed agricultural conservation programs do not seem to meet adequately the problems which need to be solved.

Some attention has been given at the last two national Agricultural Outlook Conferences to production goals from the national standpoint. In 1936, a special committee prepared a report which considered the questions: (1) What should we produce in order to guarantee the American people supplies of food and fiber adequate to maintain a reasonable standard of consumption? (2) How much can we produce and still conserve our soil? and what method of conservation would seem most economical under conditions as they now exist? and (3) What acreages of crops and numbers of livestock should be produced in order to assure farmers a reasonable income, individually and as a group?

The real problem, of course, is to coordinate or compromise the acreages and numbers needed from the standpoint of the consumer, the farmer, and agricultural conservation. The argument is often advanced that the farm income and consumer criteria are incompatible, and that farm income can be raised only at the expense of the consumer group. An effort to bring these several viewpoints together was made in the report on agricultural goals which was presented at the Agricultural Outlook Conference in the fall of 1937. In general, this report indicated that the crops in which adjustments were most needed were those crops of which a considerable portion had been exported previous to 1930. Certainly we can adjust acreages of corn, wheat, and cotton without seriously curtailing supplies of food available to the American consumer; and since these are the chief soil-depleting crops, the adjustments needed from the standpoint of farm income and of conservation are also related. We do, however, need to give a great deal more attention to certain conservation practices which do not necessarily affect acreages, and the extent to which acreage adjustment and conservation are related will depend partly upon the price situation and partly upon the yields obtained.

With respect to county planning, you will recall that farmers were asked in 1935-36: (1) What acreages they would expect to farm if there were no agricultural program, and (2) What acreages and production could be expected if systems of farming were followed which farmers in each community or county believed were needed in the interest of agricultural conservation and good farm management. The answers to these questions indicate that farmers generally believe that without either a control or conservation program they would farm as large or larger acreages than those which prevailed in the period 1928-32. But from the standpoint of agricultural conservation, they believe that they should grow a considerably smaller acreage of soil-depleting crops than prevailed in 1928-32, especially a smaller acreage of corn and cotton.

We have given considerable attention to the answers obtained from these questions in working out goals under the Agricultural Conservation Program. In general, our goals for the United States and for each region are in line with the recommendations of the farmers as reported in the County Planning Project for 1935-36 and as revised in 1936-37. But if the County Planning Project is to be most useful, and if increasing emphasis is to be given to the community and county recommendations developed through it, it is desirable that more adequate technical supervision be given than has been the case in the past. So far, this project has been carried on as a joint project between the Extension Service and the Agricultural Adjustment Administration. The questions asked have been questions in which the Agricultural Adjustment Administration was interested. The question of making the County Planning Project a Department project through which all land-use questions would be referred to and discussed with the farmers is now under consideration by the Land Use Coordinator and the Coordinator's Liaison Board. I hope that a favorable decision will be reached and that the Extension Service and the several bureaus in the Department concerned with land use will place increasing emphasis on this project in 1937-38.

In order that the best results may be obtained from the project, it is desirable that the State workers and others should realize that the current interest in land use and agricultural conservation is going to continue, that the farmers themselves must take part in all land-use planning work, and that it is necessary for the technicians to so supervise the work as to obtain comparable results as between different communities, different counties, and different States so that a coordinated set of area, regional, and national totals may be obtained. If you take the current county planning data and average or total the answers for any reasonable sized area or region, reasonably stable and correct answers are obtained; but if you endeavor to break these totals down to smaller areas and analyze them, you will find that the sub-area answers are often influenced by over-enthusiasm, by local mercantilism, or by some particular local problem which cannot well be handled in a national program.

The third field in which the Extension Service can be of help to the Agricultural Adjustment Administration is in connection with our experimental county program. In order to give farmers and agricultural workers a chance

to try out different means of reaching the objectives set in the Soil Conservation and Domestic Act, and in order to experiment with different approaches which might bring about more effective local adaptation, the Administration carried on a number of experimental county programs in ~~1936-37~~¹⁹³⁷, and several of these are continued and some new ones projected for ~~1937-38~~¹⁹³⁸. In ~~1936-37~~¹⁹³⁷, experimental programs were in operation in ten counties and in six of these ten the county program was based in whole or in part upon the goal approach. As a result, this experimental work in ~~1936~~¹⁹³⁷ tended to fore-shadow the shift to the production goal basis for 1938.

As indicated, several new counties are under consideration for the current year. For each county which is proposed we need some one in the State College who is familiar with the Extension Service work, with the Agricultural Conservation Program, and who knows farmers and is willing to help both in developing the project and, if it is accepted by farmers and the Secretary, in observing it and comparing the results obtained with those obtained in similar counties under the regular program. Although this work takes a considerable amount of additional time and carries no additional pay, it is necessary if the right kind of programs are to be developed and it does seem to offer a useful means of actually testing out methods of improving our current Agricultural Conservation Program. It is not to be expected that an experimental program will be developed in every county for which such a program is discussed, nor is it to be expected that every experimental program which is carried out will be successful. But we feel that the experimental county program is worthwhile if we get one good idea out of every three to five counties for which programs are considered or actually carried out.

In conclusion there are three fields in which the Extension Service can help the Agricultural Adjustment Administration. More attention should be given to the question of national goals and this can be done through your agricultural outlook work and through encouraging discussions on the subject at any type of gathering where economic questions are being considered. More attention should be given to the participation of the farmers themselves in land-use planning work, and this is especially true in connection with the adjustment and conservation programs which are or may be administered by the Agricultural Adjustment Administration. And more attention could well be given to the experimental county program which is designed to allow selected groups of farmers to test out different methods of improving the Agricultural Conservation Program. The Extension Service is beyond question the most effective educational agency in the agricultural field, and the active and willing cooperation of the Extension Service is needed in each of the three fields which I have just outlined.

DISCUSSION

Will you still be talking of goals if either the House or Senate bill or any probable compromise bill passes? Yes, and I believe the Extension Service should be interested in this approach even if it were not used by the Agricultural Adjustment Administration.

When goals are set for only a few of our main crops, what provisions are made to prevent overproduction of some other crop and consequent unbalance? Goals are set for each of the several special crops and all other crops are grouped together in a general soil-depleting acreage goal. As a result, shifts may be made as between different crops, but the total crop acreage is under a reasonable degree of control.

What recent changes have been made in the setting of production goals that may call for adjustments in Extension procedure? Emphasis has been shifted from the historical factor and increasing attention is being paid to the base acreages or goals which are needed on each farm from the standpoint of conservation and good farm management. This shift means that setting goals is more dependent upon judgment and upon an understanding and interpretation of the principles of good farm management.

Are not production efficiency campaigns justified? Example: Assume \$1,000 income necessary to maintain a family, and one farm with 10 cows producing 400 pounds of fat each and \$1,000 family income, and another farm with 30 cows producing 200 pounds of fat and \$1,000 family income -- Which herd is responsible for a surplus? Does not this also apply to potatoes, wheat, and cotton? Work in the interest of increasing production efficiency is certainly justified. But in the example given, both herds are responsible for the surplus and any national agricultural program must provide for the cooperation of both farmers if it is to be successful.

Is there danger of permanently losing foreign markets when we reduce our production to domestic demands for a period of years? Yes, especially in the case of those markets which have been or are being maintained through sales at such a low price as to almost amount to a gift. The real question is: Should we try to retain foreign markets without regard to cost?

Will local committees be willing or capable to get very far away from history in establishing individual goals? Yes, provided they have a proper educational background.

In establishing production goals are present and future hazards due to insects and plant diseases considered with Federal and State entomologists and plant pathologists? Entomologists in twenty States east of the Rocky Mountains report major infestations of grasshoppers and crickets for next year. Is this considered in 1938 national planning? These are questions which are concerned with the yield factor and can more properly be considered in connection with the ever-normal granary program which is to be discussed by Dr. Ezekiel.

Has the fact that some farmers have out-of-school sons working at home been considered in determining production goals for the individual farms? To some extent. In the South, especially, acreage goals are to set as to allow production of food and feed crops for home needs, and some attention is given to production facilities in setting the goals for the special crops, tobacco and cotton.

How farm have historic bases been left out in setting of State goals? If historic bases are inadequate for individual farms are they not also inadequate for counties and States? Past acreage and production must necessarily be given considerable weight in setting State goals, but we are endeavoring to allow for trends in setting such goals, and it should be recognized that the historic base is a much fairer base for a State than for an individual farm, since the differences between individual farms tend to be averaged out as the geographic area is widened.

Is it possible to place one experimental county on a land-use basis-- allot normal crop-depleting goals but shift the production to more fertile farms and utilize Agricultural Adjustment Administration benefits to build up low producing farms entirely? So far, the Agricultural Adjustment Administration is not allowed to enter into contracts or acquire title to land. We can move in the direction indicated, but it is doubtful if we could make as sharp a differentiation as is apparently desired.

Can we ever hope to get real adjustment in soil-depleting crops with a voluntary program with no more money than at present? To some extent the answer to this question depends upon the educational effectiveness of the Extension Service. I believe that a successful agricultural conservation program can be carried out with the amount of money now available, but I doubt if the successful control of the chief cash crops could be maintained.

PROBLEMS IN SECURING GREATER FARM EFFICIENCY
THROUGH FINANCING

By C. R. Arnold,
Farm Credit Administration

MEMORANDUM

Questions + Answers by C.R. Arnold
December 17, 1937.

1. Can credit be secured through production credit associations for rural electrification?

A. Associations can make loans for general agricultural purposes, and farm improvements such as installation of equipment for electrical use are general agricultural purposes.

Farmers, however, should not use their total borrowing capacity for capital improvements so they cannot borrow for production purposes as their indebtedness must be liquidated from production income.

2. What principles or rules on how to use credit need be emphasized in extension training?

A. Credit should be obtained only when it can be used profitably.

B. Credit is advance spending of one's own funds which must be replaced.

C. Credit should be adaptable to a borrower's operations.

D. Loans are made to be repaid - not carried.

E. Excess credit produces as harmful results as lack of credit, thus credit should not be used to expand beyond a sound economic unit.

F. You cannot make a sound loan for speculative purposes.

G. The farm family should be credit conscious and recognize that wise use of credit is just as essential as proper use of machinery and land.

- H. The basis on which credit is obtained often means the difference between profit and loss to both the lender and the borrower.
3. What part of short-term farm credit is now provided by production credit associations?
- A. The entire amount of short-term farm credit extended in the United States is not known since it comes from so many and various sources. The amount of personal and collateral agricultural loans by commercial banks as of June 30, 1937, was about five times as large as the amount of loans in production credit associations.
- It has been estimated that the total of these two includes less than half of all short-term credit used by farmers.
4. What are the most common bad practices in financing followed by farmers?
- A. Payment of high interest rates through installment purchases, merchant credit, etc.
- B. Excess borrowing - inadequate consideration to ability to pay or earning capacity.
- C. Failure to profit by use of credit such as by borrowing for quantity purchasing of fertilizer, feed, etc.
- D. Lack of appreciation of value of good credit rating - failure to pay obligations promptly, etc.

5. Since short-term credit costs more than long-term mortgage credit, what financing on the farm is best done by short-term credit?

A. The premises on which this question is based is wrong.

Short-term credit obtainable on a budget basis to be repaid out of the production financed is cheaper than land mortgage credit on a long-term basis for financing similar production of short-term agricultural purposes. Costs incident to obtaining a land mortgage credit loan, such as expenses of appraisal, abstracts, etc., prohibit this type of credit for short-term purposes. Furthermore, the borrower generally cannot accelerate principal payments on long-term loans and, therefore, could not reduce his debt burden even though his production income for the year permitted and justified him in so doing.

B. Short-term credit should be used first to finance production and then for any general agricultural purpose, the cost of which is to be paid out of production income during the year or within a relatively short period.

6. What effect, if any, would the threat of a grasshopper plague have upon the loan policy of the Farm Credit Administration in the area affected?

A. It is necessary that production credit association loans be amply secured to protect the association against loss in the event the production fails for which credit was obtained.

Loans will not be made beyond the repayment ability of the borrower and naturally the possibility of a grasshopper infestation would have some effect on a farmer's ability to pay. However, he may have a sufficient basis for credit to protect himself to the fullest extent against any plague of this kind.

7. What can the extension service do to reduce the delinquency and foreclosure problems of the Federal land banks?

A. The extension service can be of aid to the banks and their borrowers by cooperating with the Federal land banks in helping delinquent borrowers with respect to better farm management.

8. How far should the extension workers encourage the farmers to go into debt to become owners of farms?

A. Extension workers may be asked for information as to the value of farm properties and as to whether a certain price on a particular farm represents a desirable purchase. Questions of this kind should be approached very cautiously as farms sometimes are not worth what they seem to be or what they are reported to be. Unless a farmer is intimately acquainted with a property he should consider its purchase only after a very careful examination and ordinarily with the advice of an experienced appraiser or a substantial and successful practical farmer as to its value.

When asked for advice as to the purchase of a farm property the extension worker should advise with the prospective purchaser and direct his thought toward the making of careful checks but leave the decision largely to the farmer's own judgment. Points for consideration to which the farmer's attention may well be called are his experience, equipment and capital for handling the farm to advantage; the amount of down payment he is able to make; his earning ability on the property; the advantages of durable and productive soil; expenses and net income for paying out on the debt; the home advantages and satisfaction the family is likely to have with the purchase.

United States Department of Agriculture
Extension Service
Division of Cooperative Extension

PROBLEMS IN SECURING GREATER FARM EFFICIENCY THROUGH FINANCING*

By

C. R. Arnold

Deputy Production Credit Commissioner
Farm Credit Administration

Mr. Dixon and Friends: It has been sometime since I have had the opportunity of meeting with a group of extension people or talking at a regular extension meeting. During the short time which is available, I am going to talk about the major subject which is the theme of your discussion here this afternoon, Improving Farm Income. The part assigned to me pertains to the problem of securing greater efficiency in farm financing as a means of improving farm income and farm buying power.

Many people in the past considered the fellow who lent money a sort of Shylock. I recall vividly my own impressions of a creditor because of a sad experience my father had in buying a farm at the wrong time back in the early nineties. There was in my mind, and I think in some other people's minds, years ago, the idea that the man who lent money spent his time thinking up schemes which might be used to take advantage of other people.

I like to think of farm credit as a piece of farm equipment. Some people need a tractor and some do not because of differences in their farming operations. Some people need credit and can use it advantageously; some people do not need it; and still others who need credit cannot make proper use of it and are not helped by its use. The same is true of a tractor or any other piece of equipment. There are advantages in using credit if through its use farmers can improve their income or in the long run improve their happiness or their way of living. But if it cannot be used to advantage, credit may be very harmful instead of beneficial.

In the short time available I shall attempt to do three things: first, to list a few of the ways in which credit may help improve farm income; second, to discuss some of the things the Farm Credit Administration is doing toward developing a satisfactory credit service; and third, to outline some of the factors, as I see them, which tend to limit what we hope to accomplish in the Farm Credit Administration. I presume this third phase is the one you, as extension workers, are most interested in and, I believe, the part in which you can be most helpful in the farm-credit field.

There are several ways in which the use of a good credit system may improve the farm income. One of these is through a saving in the cost of credit by a lower interest rate. Let's suppose you are buying a farm and

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pay 5 percent interest instead of 6 percent and apply that other 1 percent on the principal. In 37 years the farm is yours, paid for out of interest saving. This adds up to a greater sum than we often think. In regard to short-term loans, the amount of interest or extra costs in connection with installment purchases is surprising. I have before me an advertisement for a refrigerator which can be purchased for \$100 -- \$25 down and the balance at \$10.05 a month for 8 months. If you figure this out you will find it amounts to approximately 20 percent a year for the time the money is used. I am not saying that the dealers charge too high a rate under such conditions, because there is a certain amount of risk involved; but it is my opinion that a good credit risk pays too much interest under these circumstances. The monthly payments are not large, but taken collectively add up to a considerable amount and add greatly to the actual cost price or the cost of interest whichever you want to call it.

In certain sections of the country a rather common practice in the past was to charge a straight percent on crop loans, even though the loans were outstanding for only a few months. By that I mean that a crop production loan would be made for the length of time necessary to grow a crop, and the interest rate would be 8 percent. I do not mean 8 percent a year, but a straight 8 percent which would be nearer 16 percent a year, because the money would be outstanding probably for about half a year. Also many times the interest is deducted in advance which adds slightly to the actual cost. Certain financing institutions have charged a monthly interest rate, such as 2 percent, 3 percent, or even $3\frac{1}{2}$ percent a month in some areas, and you will agree that a person can soon go bankrupt paying interest on that basis.

Saving on interest is by no means the most important method of improving farm income through the use of credit. One other is through making use of credit when it can be used profitably. There is danger on both sides in the use of credit. One danger is borrowing money when you should not, and the other, just as important, is the failure to use credit when it will actually improve the farm income or the family life. I refer especially to buying in larger quantities, paying cash, buying cattle or livestock to use up the feed, making certain farm improvements which might save time, labor, and money, and certain improvements in the home. By this I mean using credit rather than not having those things which will bring a net financial return and greater satisfaction.

One of the most important items in using credit to increase farm income has been mentioned by each of the speakers here this afternoon. That is, the use of credit to improve the organization of the farm business. We know very well that there are farmers who do not have the proper balance, the right number of livestock, enough cows, or suitable equipment, simply because they do not have the necessary cash. The loss of income through an improper organization of the farm is often greater than the interest would cost, and a considerable part of the loan could probably be repaid from the saving in a short time. Credit is one of the pieces of equipment to be used in balancing up the farm business. I have not been away from the farm-management work long enough to forget that phase of it. The problem of lending money to farmers and collecting it, as well as the problem of farmers using

borrowed money wisely, is very largely one of proper farm organization and farm management added to the moral risk. The individual who has a well-balanced farm, operates it efficiently over a period of years, and has a good return in income, if he uses his income to maintain a good credit rating, is usually a good credit risk. In general, there is a great deal more risk in their inability as managers than there is in dishonesty among farmers. Most farmers are honest and want to pay their debts if their farm business will return sufficient net income.

Another way of improving farm income is through a dependable system of farm credit. One of the most serious features of the credit available for agriculture in the past has been its lack of dependability. By this I mean the demand for repayment of loans at a time when it was not satisfactory or desirable from the standpoint of the individual who borrowed the money. A credit program must be planned by the borrower and must be a part of his entire farm business plan. Lending agencies which must depend upon the action of depositors are often unjustly criticized when they demand repayment at an inconvenient time. I imagine some of you people in this room probably ran to your banks and drew out some of your money at the same time some other people did a few years ago. In order to improve the farm income and be of service to farmers, a credit system must be dependable. It must be available during periods of depression as well as during prosperity. The farmer who plans his business upon the use of credit cannot afford to have his loan called when he can least afford to pay it without sacrificing seriously on growing crops or products of his farm. This is one of the most important phases of a credit system designed to improve farm incomes.

A desirable credit system should take into account, when the loan is made, a plan of repayment related to the income of the individual borrower. It should be based upon the amount he can afford to pay from his net income, and repayments should be scheduled for the time of year when products are sold. Ninety-day paper is not satisfactory for the farmer. If he borrows money for his operations and is going to have an income from hogs or crops, the maturity of the loan must be regulated accordingly and set at the time when some of these products are to be sold. The length of loans should be so calculated that the borrower can make the scheduled repayments and maintain the standard of living we want him to have and which is necessary to live in his community and be a respectable citizen.

When I speak of the dependability of credit I again want to go back to the reference made in the beginning, that credit is a piece of equipment and as such we depend upon it when it is needed. It would be better never to own a binder than to depend upon it and have it break down beyond repair at harvesttime. Again the same situation refers to credit. It is better to forego using credit at all than to base your farming plans on using it and then be caught at a time when you cannot pay it without sacrificing half-fattened livestock or crops not yet mature and find no other credit available.

Another feature which helps to improve income through the use of credit is making loans based on the ability of the individual to repay rather than on the amount of security which can be offered. Too many loans in the past

have been made to farmers upon the sale value of collateral they own without taking into consideration the individual's ability to repay from his prospective net income. This has been one of the biggest changes which has come about in agricultural lending during the past few years. Careful consideration must be given to the farming plans and the ability of the individual to pay back the loan rather than basing the loan on the value of collateral offered. A loan with plenty of livestock or equipment under mortgage may be entirely safe because this property can be sold and the loan collected, but it cannot be sound from the standpoint of either the borrower or the lender if the operating equipment must be sold to repay the loan. You all know of instances where farmers have a certain amount of property and are losing money every year. Possibly the farm was given to them in the first place. The ability to repay a loan from the farming operations is one of the most important factors in helping the farmer to plan his business with the use of credit and also in the soundness from the standpoint of both the borrower and the lender.

One other thing that a proper credit system should do toward helping a farmer to improve his income is to assist him, and in certain cases force him, to make a more thorough study of his own farm business. In order to make sound loans, as I have defined them earlier, it is necessary for the farmer to make a rather complete analysis of his farm business, not only of the farm operations, but the family living as well. The need of family consciousness of credit is very great, and more consideration by other members of the family, as well as the operator himself, is essential. Where it is necessary for the wife to sign the application or some of the loan papers, I believe it is worth while from the standpoint of bringing about a family understanding of the transaction as well as from the security standpoint.

I am going to take just a few minutes to mention some of the things that are being attempted by the units of the Farm Credit Administration. As you know, the Farm Credit Administration consists of four permanent units: the Federal land banks, which make long-term loans on real estate, extending over a period of 10, 20, or 30 years, through national farm loan associations; the Federal intermediate credit banks, which are primarily wholesale supply houses furnishing loan funds to other short-term units; the cooperative banks, which make loans to farmers' cooperative marketing and purchasing associations; and the production credit corporations and production credit associations. Production credit associations, of which there are about 550 serving all parts of the United States, make loans to farmers for any agricultural purpose, the loans maturing at the time products are to be sold within the following 12 months. The national farm loan associations, which are under the supervision of the Federal land banks, and the production credit associations, which are under the supervision of the production credit corporations, are local cooperative associations which deal directly with farmers.

First, I will discuss real estate loans which are made for a long period and based upon the individual's ability to repay. They allow an opportunity for farm operators to plan their business along a line that has been mentioned by several speakers today. This planning for a period longer than 1 year gives the individual an opportunity to lay out his program over

a period of years on a definite plan. This feature of a planned program, rather than a renewal or refinancing every few years, gives a definite advantage in developing a farm program, and a well-planned farm program improves farm incomes.

I might mention that one of the advantages of a national system of farm credit is that it is not necessary to follow unusually drastic collection policies during periods of depression simply because of depositors' demands. Collections cannot be forgotten, however, during any period of depression, but an agency which is forced to use unusual collection policies because of need for liquidation goes exactly contrary to the best interest of a planned farm program. Unusually drastic collection policies were forced upon certain agencies during the last 10 years, not because anyone wanted to do it, but because the source of loan funds was unstable and when people demanded their deposits the lending institution was forced to collect loans to remain in a liquid position.

The interest rate at which Federal land bank loans are made is 1 percent above the rate at which the latest issue of farm loan bonds are sold on the market. Most of these loans are made through the cooperative national farm loan associations, each borrower owning stock in the association. One of the primary factors in considering a real-estate loan is the ability of the farmer to make an earning off the farm sufficient to cover interest, principal repayments, taxes, and family living expenses. During recent years these earnings have been calculated on the basis of normal yields and normal prices. The amount lent on real estate should not show extreme fluctuations with the price of individual farm products, since a debt of this kind must be paid over a period of years. Consideration is always given to the home itself and the standard of living. If a borrower, in order to meet his payments, must subject his family to a lower standard of living, the loan should not be made, and the policy is not to make it.

Now, turning to short-term credit, there are 550 local production credit associations scattered throughout the United States. These cover every county and make loans to farmers for a period of 12 months or less. At the present time there is approximately \$138,000,000 outstanding on these loans. About \$286,000,000 was lent during the year 1937 to farmers through these production credit associations. These local associations, with each borrower owning stock in them, elect their own directors and are operated very largely by the local directors and farmers themselves. An opinion has prevailed in the past that farmers are not businessmen and that they cannot lend and collect money. This is not true. The record of these local production credit associations, which are operated primarily by farmers themselves, has proved to me that they can and will make sound loans to individuals based on their ability to repay and that they will collect those loans. Since organization about 4 years ago, production credit associations have lent over \$800,000,000 for production purposes. These loans have averaged slightly less than \$1,000 and the total losses or charge-offs on all loans has been much less than 1 percent.

The dependability feature of a credit system is very important in connection with short-term loans. Production credit associations do not lend Government funds, but obtain their loan funds by pledging notes of farmers and other collateral with the Federal intermediate credit banks which sell debentures on the open market and secure these loan funds from financial sources. The debentures have been sold to yield about 1 percent. The Federal intermediate credit banks' expenses are covered by 1 percent, which means that the money is supplied the local associations at 2 percent at the present time. Loans are made to farmers by the associations at 5 percent, the difference of 3 percent being used to cover the cost of operating the associations. The production credit corporations own nonvoting capital stock in each of these associations, but this money is not used for lending purposes. It is invested in bonds and pledged with the Federal intermediate credit bank as additional security to the farmers' notes. Farmers own voting stock in each association equal to 5 percent of the amount borrowed. If there are any losses in these associations the borrowers' stock is first affected. They are truly cooperative associations, and farmers are taking very great interest in establishing their own cooperative credit system. During the first 3 months of 1937 approximately 115,000 farmers and farmers' wives attended annual meetings of these 550 cooperative credit associations. The average attendance was 211 per meeting, and I imagine that is as large a group of people attending one particular type of agricultural cooperative meeting as was ever experienced in a 90-day period in the United States.

A large part of the production credit association loans are made on a budget basis. By this I mean a program of credit needs for the year is established at the time the loan is closed. Money is disbursed to the borrower at designated times throughout the year when his farming plan shows there is a need for it. This forces the farmer to analyze his business more thoroughly and gives him assurance that if he meets his part of the program this money will be available. Interest is charged only for the time the money is actually used. Repayments, as well as additional budget advances, are planned in advance. It is not the business of any lending agency to plan a farmer's operations for him, but since a plan of this kind is a requirement in securing a loan of this type, it not only encourages, but forces certain individuals to make a more complete study of their business than they otherwise would. A proper analysis of a short-term loan should give a picture of the financial position of the farmer when the loan comes due. It is necessary for him to calculate expected income from various sources, as well as necessary expenses. These expenses, of course, would include family living as well as those connected with the operation of the farm.

The third phase of this program which I shall mention briefly consists of some factors which limit the effectiveness of the Farm Credit Administration program. It is these items the Extension Service has a definite interest in and I presume the things you people are thinking about in connection with your educational programs. In the first place, farmers in many areas are not acquainted with the facilities offered by the Farm Credit Administration through the 550 production credit associations and some 4,500 national farm loan associations covering the entire United States. The location of these offices may be known to most of the farmers of the country, but the facilities which they have to offer are not understood by a large number of them.

The second limiting factor is the need of a better understanding by farmers and their families of their own ability to pay above necessary farming and living expenses. Borrowing money which cannot be repaid is just as serious for the borrower as the lender, and many people do not realize the importance of analyzing thoroughly their own ability to repay before making applications for loans. A poor farm, a poor farmer, unprofitable livestock, or even an extravagant wife may cause difficulties in repaying a loan.

The third factor, which follows closely and which the Extension Service has been emphasizing for years, is a lack of knowledge on the part of farmers regarding just how to go about analyzing their farm business. This, of course, includes the lack of farm records, as well as a better understanding of the agricultural outlook and prospective price conditions. Too often people calculate the prospective income from hogs a year or more in advance when the price happens to be extremely high, and we know from the history of hog prices that extreme variations usually take place every few years.

Another great need is for planning farm business over a longer period. In long-term loans it is necessary to have a picture not only for the current year but over a series of years.

There is also a need for more family credit consciousness and appreciation by the entire family of the value of a good credit rating. When loan repayments are not met on schedule or arranged for, there is a loss to the individual. It may not be an immediate loss in dollars, but the value of a good credit rating so that credit can be secured when it is needed is a valuable asset, and I might even say a good piece of farm equipment.

Another factor is the large number of farmers with no debt repaying ability. This again comes back to a better organization of the farm business. Those individuals who can make only a living oftentimes find some unusual circumstances which place a debt burden upon them. Those individuals operating a farm business which does not provide any net income above family living expenses do not have credit available at low cost when unfortunate circumstances or the replacement of equipment create a need for the use of credit. Too many times a farmer thinks of borrowing money in order to get out of a bad situation without giving full consideration to just what his position might be at the time the loan comes due. Most of the things which the Extension Service is attempting to do toward improving farm incomes and purchasing power are helping farmers to attain a position where credit can be used.

There is often a tendency among some farmers to want to borrow too much. Some farmers are more efficient in managing their farms successfully than in understanding just when to make investments. Gains through operating a farm properly can easily be lost by a poor investment. A better understanding of the entire farm business, its operations and possibilities, and the cooperation of the entire family in reaching these objectives is most important for both the borrower and the lender.

I have attempted in this short time to do three things: first, to indicate how farm incomes might be improved through the use of credit; second, to discuss some of the things the Farm Credit Administration is attempting to do; and third, to outline some of the limiting factors or phases in which I think the Extension Service can help farmers to be able to use credit in a way that will be helpful to them. Using credit properly is good business. A dependable system of credit adapted to farmers' needs is necessary before credit can be used profitably by farmers, and a better understanding of the farm business is necessary for farmers to use this service intelligently.

ADDRESS BY
MR. C. R. ARNOLD, FARM CREDIT ADMINISTRATION
BEFORE THE EXTENSION STAFF CONFERENCE
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4 P.M.
ROOM 1039 - SOUTH BUILDING

Mr. Dixon and friends, it has been quite a little while since I have met with this group or talked to a regular Extension meeting. I presume that almost all of you know that I spent a few years in extension work myself. Mr. Dixon was my boss at one time in the past. I am proud of that and glad to say it was in the past. I am going to talk a little while - I notice another clock in the back of the room - not too long, because I assume we all have to get out at 4:30. I am going to talk a little while about this major subject, or the theme of your discussion here, as I get it, is that of improving farm incomes or means of improving farm incomes, and the part that has been assigned to me is that phase of it pertaining to credit. I don't know why they put credit on the last end of this good program unless you always expect creditors to come around and talk of the benefits of efficiency and other things. At least we are accused of that in certain instances.

A good many people, especially in the past, I will say in my own experience in my early life in it, had a rather poor opinion and a bad impression of the fellow that loaned money. They thought he was sort of a Shylock and I thought so possibly because of the sad experience my father had in buying a farm at the wrong time back in the cycle in the old days, and then lost it. Nevertheless, there

was still in my mind and I think other people's minds some years ago, that the fellow that loaned money, he was some sort of Shylock and usually took advantage of other people. I like to think of credit used by the farmers as like any other piece of farm equipment, if you want to call it that. Some people need a tractor; some people don't. Some people need credit; some people don't. Some know how to use credit, and some don't. The same thing is true of tractor credit. I think there are some advantages in the use of credit by farmers, certain farmers, if they can through the use of credit to improve their income, improve their happiness or their way of living. If it cannot be used in that way, there is no place for credit to be used.

I am attempting to do three things. First, to give a few little items where I think credit helps improve the income. Then I am going to spend a little bit of time in discussing some of the things done by the Farm Credit Administration there, and I am going to attempt to mention some of the limiting factors as I see them that tend to accomplish what we hope to accomplish in the Farm Credit Administration. In the first place, there are several different ways by which credit will improve farm income. First I would say in the low industry interest rate, the difference in one percent in the low interest rate on long term loans. Let's suppose I am buying a farm. If I can pay 5 percent instead of 6 on that loan and take that other one percent and put it on the principal, in 41 years

the farm is mine. These things add up to a greater extent than we think. In addition to that, we know the condition that exists between time purchases, installment purchases, and various things of that kind, and cash prices.

I have one or two little items here. Take an old refrigerator, for instance - here is an actual example - and you can have it for one hundred dollars, ten dollars and five cents each month for twelve months. That is a common experience as applied to household goods, or to farm equipment as well. If you figure that out it amounts to $21\frac{1}{2}$ percent a year. That don't look like big items, but taken collectively they add up to a considerable amount. In our own thinking, the items tend to add considerably to the actual cost price, or the purchase price, the cost of interest, if you want to call it that. In the South, as well as other sections, discounting was a common practice a few years ago and still exists in certain areas, to charge a straight percent regardless of the time when it was in existence. You know conditions like that in the Sheffield territory and other places.

Then last month I understand a cotton loan was made at 8 percent straight, it wasn't 8 percent per year. If the loan was outstanding for 4 months instead of 12, that was 24 percent. There is considerable saving through a proper understanding of the credit system by farmers, and would save in the cost of this. We all know that in some of the states, especially in the Middle West

the high finance credit associations charge extremely high figures for small loans. They make some risky loans and, of course, cover their losses through higher interest rates to others. One of the credit associations, for instance, at the present time has refinanced over 120 thousand dollars in their own little area by farmers who were paying 42 percent a year, or 3½ percent a month on the loans. The last time a check up was made, there had not been one single dollar lost. That don't mean a poor credit risk. We know four years ago when credit was hardly available, many people were forced into a condition of that kind. Imagine paying 3½ percent a month. I saw a loan where a man had borrowed \$180, paid back \$168, and now owed \$102 on a short term loan. The interest on that was 42 percent a year.

One of the other things that helps to improve income, in addition to saving of interest cost, is the matter of the use of credit when it can be used profitably. There is danger on both sides in the use of that credit. One danger is borrowing money when you should not, and the other is just as important, the need of using the credit which we have if it actually improves farm income, family life, home conditions, and if we can actually pay for it. By that I refer especially to things like buying in small quantities or numerous things of that kind, various things of that kind, using credit to improve income. The same thing, of course, in buying cattle or livestock to eat up the feed, or make certain farm in-

provements, or certain things in the home, using credit rather than not having it, whether financial returns, satisfaction returns for buying ability is actually there.

One of the biggest factors, I think, in using credit at the time it should be used to help farm income, is the thing that has been mentioned by each of the speakers here this afternoon. That is the matter of improvement of the organization of the farm business itself. We know very well that there are farms that do not have proper balance, the proper number of livestock, the proper number of cows, and various things of that kind, or proper equipment, simply because they do not have it, and it probably actually costs them more than the actual interest would cost, and they could probably pay for the difference in a short time. So, it is a matter of balancing up the farm business. I have not been away from farm management long enough to forget about the farm management phase of it. I might say that the matter of credit, of farm credit, whether long term or short term loan to individual farmers, is about 90 percent farm management and 10 percent moral risk. That is about what it amounts to, because the individual who has a properly balanced farm, a good return in income, is a good credit risk. I will say this, it is surprising in dealing with farmers, the risk of management as compared with the risk of honesty. There is a great deal more risk among farmers in their inability to be good producers and good farm managers than there is in the dishonesty of farmers, a very much larger percentage than I ever imagined before I got into the field myself.

One other thing I will mention where the farm can be improved is having a dependable system of farm credit. I believe one of the most serious features of our credits for agriculture in the past has been lack of dependability, and by lack of dependability I mean the loans being called at a time when it is not satisfactory or desirable from the standpoint of the individual who borrowed the money. I will cite one instance. Very recently, within the last thirty days, one of our associations has received 270 odd applications from people who were borrowers from certain financial institutions, because of a telegram that came into that area from two financial institutions, instead of one, telling them that the stock market break was creating, the depression was creating a situation and they better become liquid. That is the danger of credit through an agency that depends upon the whims of depositors. Some of you people run to banks and draw out your money the same as the rest. I think there is that danger of the instability, and I think the credit system in order to improve farm income must be of a nature that is dependable, that is going to be there during periods of depression as well as periods of prosperity, and that loans will not be called at a time when the farmer can least afford to have it called, and that is one of the biggest and best features for improving farm income.

Another thing, another feature in regard to the same thing being adapted to farmers' needs, is a system of credit that allows

payments to be made related to the income of the individual himself; in the first place, based upon the amount he can afford to pay each year of his net income, and, second, payments being made at the time the products are being sold. Ninety day paper is not desirable to the farmer. If he borrows money for his operations and is going to have an income from hogs, he needs the length of that loan regulated, depending on when he is going to sell some products, and real estate loans as well, based on a period, so that he can actually make those payments and still maintain the standard of living that is necessary to really live in his community and be the respectable citizen that we want him to be.

When I speak of dependability of credit, I again go back to the reference I made in the beginning, that credit is like a piece of equipment; some people need it on the farm and if you do need it, is there a place for it? It is better probably never to have a binder on your farm than to have to depend on it and have it break down at harvest time. Again, the same situation, I believe, refers to credit. It is better to give up using credit at all than to be caught at a time when you cannot pay it and have to hunt it up, because it is put on a 42 percent loan and none is available at that time.

Then the other feature, I think, that helps to improve income is having the loans based on the ability of the individual to pay. Too many loans, I think, have been made in the past to farmers based on what the sale value of the collateral he owns might be, rather than

the individual farmers individual ability to pay. I think that this has been the biggest change, if I were indicating one change that has come about in loaning farmers agricultural loans in the last five years, I would say one of the biggest changes has been loaning money to farmers based on his ability to pay rather than on the amount of collateral or security that they have to offer. You and I know the security. They have livestock, machinery, to borrow money on but they are going in the hole every year. You have seen people have farms given to them, and then lose them. That is, in the first place, poor management to base it on the collateral he has rather than his ability to pay.

I might say on short time loans made to the Farm Credit Administration, farmers set up a budget and included living expenses that they expect to have during the next 12 months, if there is a 12 month loan, before that loan is granted. It is based on ability to pay rather than on the collateral or security offered, so that we cannot sell him out and take these away from him. Another thing that a proper financial system should do toward helping the farmer to improve his income is forcing him through these things to make a study of his own farm business, a better analysis of his farm business, I think, not only of the farm operator but the family as well. I think that the need of family consciousness of credit is one of the greatest needs that we have at the present time, more thought from the standpoint of the other members of the family as well as the individual operator himself. I might say that there are certain places in the United States where the wife

has to sign the application, partly for that reason, to bring about a better understanding.

So much for the improvement that might be brought about in the farm income due to the use of credit.

I am going to take just a few minutes to mention some things that are being attempted by the units of the Farm Credit Administration at the present time. As you know, the Farm Credit Administration is divided into four different permanent units: Federal Land Bank, that makes long-term loans on real estate, 10, 20, or 30 years; the intermediate credit bank, which is simply a storehouse and makes no direct loans but furnishes money for other short-term units; the cooperative bank, that loans to cooperative marketing or purchasing associations; and production credit setup, which makes loans to farmers through local agencies for short-term loans, no loan being made for longer than 12 months. Two of them deal directly with the farmers, the Federal Land Bank and the production credit associations with short-term or production loans.

I am going to mention just a few of the different phases, first taking up real estate or long-term credit loans. These are for 10, 20 or more years, based on the individual's ability to pay, which gives an opportunity for the thing which was also mentioned a couple of times today, for a little longer range planning than one year planning, which gives an opportunity for the individual to lay out his program over a little longer period and regulate his payments over a planned program. The second thing is available at all times.

Again I might mention that one of the advantages of a national system of that kind rather than being based on the deposits or the whims of depositors, is the fact that it is not necessary to use unusually drastic collection policies during periods of depression. That is the thing that I think has done more to put people over the bank than any one thing, an unusually drastic collection policy that was forced on them at the wrong time during the period of depression, not because anybody desired to do it but because the source of the money from which that money was loaned to them was the depositors who loaned that money and came and demanded that money, that they must be in a liquid position.

Again, the Federal Land Bank make their loans at the present time, basing them on the cost of money, 1 percent above the cost of the bonds that are sold on the market, amortization of payments through the life of the loan also gives the possibility of planning the business on that. These loans, most of them, are made through cooperative associations, as you know, each borrower owning stock in the national association.

In making loans, whether it is a real estate loan or a short-term production loan, and I would say especially thinking of real estate loans, one of the primary factors is not necessarily the value of the land for what it might be sold for, but the ability of that farmer to make an earning off that farm to pay for it. If that ability is not based on normal prices, normal yields, then that individual should not secure a loan, because he will go in the opposite direction.

Also, consideration is always given to the home itself, to the standard of living. If that man, in order to meet his payments, must subject his family to a standard of living that is down to a point where it is starvation, that loan is not made and the policy is that it will not be made. That must be taken into consideration.

Now, going for just a moment to the production credit system, or short-term units, there are 550 local production credit associations scattered throughout the United States, covering the entire United States, that make loans to farmers for 12 months or less, based upon the production activities and the needs for production of these farmers. At the present time, there is about 130 million dollars outstanding in these loans. About 250 million dollars will have been loaned this year to farmers through these local agencies of the production credit association. These local associations, with each borrower owning stock in them, elect their own directors and are operated very, very largely by the local directors and farmers themselves. The opinion that has prevailed in the past that farmers themselves can't loan and collect money, is not true, because, in general, the record of these local production credit associations which are operated largely by the farmers themselves, has proven that they can and will make loans of service to individuals based on their ability to pay and collect those loans. We are just computing losses at the present time on the three-quarters of a billion dollars that have been loaned in small loans, averaging \$800, that they will be considerably less than 1 percent, very much less. Farmers themselves are carrying on most of the operations of these associations.

Again, this dependability feature is the big feature there, of course, that credit to be available based upon their ability to pay, and there is no need, because of the nature of the funds that are loaned not being Government funds--because these associations, you know, do not lend one penny of Government money but get their money by pledging their notes of these farmers to the intermediate credit banks which sell debentures every fifteen or thirty days to the business and secure money from the financial markets of the world, about 1 percent at the present time, and loan to associations at 2 percent, and they loan to the farmers at 5 percent, the difference of 3 percent going largely to cover the cost of operations.

Farmers themselves are taking interest in this and realizing that any losses must first be borne by the farmers themselves. If there are any losses in these associations, farmers lose the money first. It was interesting to me last year, during the first 60 days of 1937-- I had better say this year, during the first 60 days of 1937, ~~shape~~ 550 cooperative credit associations held their annual meetings throughout the United States, and over 100,000 farmers and farmers' wives attended these cooperative credit association annual meetings, inside of a 60-day period, which I presume is about as big a group of cooperative people to attend one annual meeting in a 60-day period that was ever experienced in the United States.

Another feature, I think, of a system of this kind that we feel proud of is the flexibility to meet credit needs, even in cases of disaster. We had an opportunity to demonstrate whether that could be done last year when the flood struck Louisville. One of our 12 members is

located in Louisville. By Monday morning we realized the banks were closed and the farmers needed money discounted every day and every hour. It was Monday at 10 o'clock when we found out about that, and by Wednesday morning we had the St. Louis bank operating and sending money out, so that there wasn't 48 hours delay in getting money out because one bank in the territory happened to be flooded.

Now, I am going on to the third phase of it and not spend more time on this. I should mention the cooperative bank. It makes loans to cooperative marketing associations for the three different purposes of facility loans, or commodity loans, or for operating loans, at relatively low rates for cooperative associations. I am going to take up the third phase of this and mention some things that I consider limiting factors that I think the Extension Service have a part in as well as our own Division, some of the limiting factors in the further use and further improvement of our farm incomes through the proper use of some kind of credit. In the first place, I would say probably the greatest difficulty is the lack of knowledge on the part of individuals as to just what some of the agencies have to offer. The second, without going into an explanation of those, is a need of a better understanding by farmers and their families of their ability to pay, after they pay their living expenses. I suppose you would call that farm management, wouldn't you?

I think that one feature, probably the most difficult phase, is the lack of knowledge on the part of people whether they will get \$2,000 this year or \$1,000, or whether it will cost them so much to

live, or just what, how they could analyze their business and get some little picture of whether they will be better off if they borrow this money, or worse off. I could say along that line there is an insufficiency of farm records, insufficient records of any kind kept by a farm, and another one of the limiting factors in the ability of the farmer to actually use credit.

Another item would be the need for more knowledge on when to invest and when not to. I have thought a good many times in the past we can talk to people about having more efficient cows, or more efficiency in production or marketing, but when a fellow goes out and buys something he does not need and makes an investment at the wrong time, it probably costs him more than he makes by efficiency. We know certain people buy certain things in regard to farm equipment because a neighbor bought it, without proper analysis as to whether they need it.

Another thing is the great need for more family credit consciousness, and by that I refer to the whole family as well as just the husband or the father taking the responsibility for loans or making all the types of credit arrangements.

Then one other thing is the planning of the farm business for a longer period. I mentioned that a while ago, the matter of thinking where we are going from here this year and next year. Too many times in borrowing money, people think about it from the standpoint of getting out of the situation they are in rather than helping them to improve the situation they are in over a long period.

Another phase that is a limiting factor, and I think, generally, educational agencies already are emphasizing, is appreciation by the family of a good credit rating. I never realized, myself, until the last few years, what a good credit rating really means to individuals as an asset in their community. I would much rather have a good credit rating-- by that I mean the fellow who has met his debts on time, or made proper arrangements--than to have a few more horses and a mortgage.

One other thing mentioned here today is a factor that we run into, and that is the need of the farms that have no debt-paying capacity and farms that may be small, may be poorly managed, or other factor, but almost invariably the farm that has no debt-paying capacity, or a little bit of reserve above the actual living expenses as they appear, will sooner or later have a doctor bill, or need a new Ford, and it is a matter of some little debt-paying ability, or to build up a nest egg on the operation of the farm.

One other thing which I think should and could be emphasized by all educational agencies, is that the living standard should be fitted to the farm and the farm business. We have poor loans on our books in certain instances because of an extravagant wife, we think, partly, probably, because she was never brought into the picture as well. We have lots of others where it would be better for the wife to take over the business of the farm and operate that. That is what I mentioned, fitting not only the standard of living but the expenditures into the farm business and the income. I think the farm family should cooperate

and naturally ought to feel that they are cooperating when they are using borrowed money as well as when they are renting a farm, or anything else. They have one part in there, and in order to develop and buy things and add to their future income or future net worth, they do have a part to play in there.

One other thing that I think the educational agencies could emphasize is the tendency on the part of farmers to borrow too much. I said I wasn't going to tell a story but I am going to tell one story. The story is told of the fellow who was riding a mule down South. Another fellow asked him where he got that mule, and he said, "Over here." The other fellow said, "How much did you pay for it?" He said, "I didn't pay him anything, I just gave him a note." And the second fellow said, "Well, you sure got him cheap."

Now, I think there is a little story in that, that too many times borrowed money does not seem exactly the same as if we are using our own money, and I think there is that need of the emphasis on our use of money, whether our money or borrowed money, we still should have that credit consciousness back there, that it is our debt and our debt to repay.

WHAT CONSERVATION MEANS AND IS AS
APPLIED TO THE SOIL.

By J. Phil Campbell, Head
Coop. Relations in Extension,
Soil Conservation Service.

WHAT CONSERVATION MEANS AND IS AS APPLIED TO THE SOIL

We have in the United States nearly 2 billion acres of land surface. Of this area a little less than a third -- about 610 million acres -- is classified as crop land. This is a large acreage available for production. But much of it is subject to ruination or impoverishment by the forces of wind or water erosion. It is estimated that erosion has already ruined about 50 million acres of once-productive land in this country. It is seriously threatening to eliminate cropping possibilities on another 50 million. About 100 million additional acres have been severely impoverished by losses of topsoil and gullying. And on a further 100 million acres erosion is getting actively under way.

When erosion strips the topsoil from a farm it removes plant food, organic matter, beneficial bacteria - everything that is needed to grow crops. Consequently, as erosion advances, crop yields decline and income drops. Every year some 200,000 acres of farm land in this country are abandoned, chiefly because of erosion damage. The total annual cost of erosion to the Nation's farmers in terms of lost fertility, declining yields, and abandoned acres is estimated at 400 million dollars.

The soil conservation problem facing American agriculture, then, is two-fold: it involves the rehabilitation of areas already damaged by erosion and the prevention of damage in those places where erosion is likely to become destructive in the future. Because of these two requirements, there is real need for sound and effective programs of erosion control over a large percentage of farming land in the Nation.

An address by J. Phil Campbell, Head, Cooperative Relations in Extension, Soil Conservation Service, before Extension Staff Conference, Washington, D. C., December 15, 1937.

In this connection, a most important question has been raised: "How much of the cost of controlling erosion should be borne by the individual landowner and how much assistance is he entitled to expect from the public through governmental agencies?" At the present time there is urgent need for determining: (1) at what stage of soil depletion governmental agencies should enter the pictures: (2) how much assistance they should offer; and (3) how long they should continue to extend such assistance.

I have heard a certain line of thought expressed by a number of college and extension workers, especially in California and Wisconsin. All these men worded it a little differently, but the general idea runs something as follows:

On those farms where erosion is not a serious problem at present, technical assistance offered by governmental agencies may be sufficient for the establishment of an adequate soil conservation program. On much of our crop land, however, the damage has already been so intensive that the farmers are in no position to control erosion effectively without some other form of help. Since it is impossible to transfer all these submarginal farmers to new areas of good land, the public must be prepared to share with the farmer the cost of land rehabilitation.

In this matter of conservation and rehabilitation, the factor of land tenure plays an important part. Any occupier of land who is constantly moving from place to place will obviously have little interest in maintaining the soil or in conserving soil resources. He will be interested chiefly in immediate cash returns and rather unmindful of future productivity. In the limited scope of this talk, however, I shall be unable to discuss at length this question of land tenure or the subject of resettlement or of rural zoning, in spite of the fact that all these topics have a significant bearing on the problem of soil conservation.

This map shows the general distribution of erosion over the United States. The areas of most severe sheet and gully erosion are indicated in grey; the regions of most violent wind erosion are marked off in light brown. You will notice that sheet and gully erosion have been especially damaging in the southern Piedmont, in the valleys of the Missouri and the Ohio rivers, and in almost the entire state of Oklahoma. Wind erosion has impoverished the land throughout the larger part of the Great Plains, and has been especially violent in the region around the panhandles of Texas and Oklahoma. These, however, are only our special problem areas. It is estimated that on 75 percent of the country's agricultural land, erosion must be controlled if we, as a nation, are to continue in the business of farming.

The causes of erosion are really as simple as the alphabet; the cure is as complex as human economics. Experiments have shown consistently that erosion under a dense cover of natural vegetation is a slow and generally beneficial process. We cannot, however, retire the whole country to grasses and trees. To supply needs of our population, we must continue to plant crops for food, feed, and fibre. Our problem, then, is clear. We must discover some means whereby we can carry on an economically profitable agriculture without suffering heavy losses of soil and water.

Over a period of many generations farmers in this country and in foreign lands have developed, by a process of trial and error, a large number of methods and devices for controlling erosion and conserving water resources. In recent years agricultural scientists have tested these measures, worked out their relationships, and made some helpful improvements. Today it is generally agreed among authorities on the subject that erosion can be effectively controlled only by a coordinated program extending over

the whole farm.

Such a program involves several considerations. Fundamentally, it means putting every single parcel of land to its proper use. Obviously, the farmer can't hope to control erosion if he plants row crops on the steeper parts of his farm or in the spots where runoff water naturally concentrates. For adequate protection, such places should be in permanent pasture, meadow, or woodland. Crop production should be confined to the flat land and the more moderate slopes.

But a thorough program of soil conservation includes something more than proper land use. It includes careful management of woodlands, pasture, and meadows to insure a healthy growth, both for economic returns and for soil protection. It involves the use of certain tillage practices and approved rotations on the cultivated land. It means keeping a thick cover on this land as frequently as possible. And it may entail the use of simple engineering structures to prevent the concentration and rapid runoff of rainwater.

How can the farmer carry out such a program and continue to make a profitable living? This is the question we must answer for thousands of farmers from Maine to California. In the last analysis, supplying the answer to that question constitutes the main job of the Soil Conservation Service. For the past few years the Service has been demonstrating coordinated programs of erosion control in cooperation with a large number of farmers in all parts of the country. Today this demonstration work, as shown on the map, extends into 45 States. It is being carried out in 174 demonstration projects and in the vicinity of 374 C.C.C. camps. It includes cooperative agreements with more than 50,000 private landholders and covers some 25 million acres of privately and publicly owned land.

This demonstration work has served several educational purposes. First of all, it has helped a certain limited number of farmers in the actual job of controlling erosion. Secondly, it has enabled us to show a much larger number of neighboring farmers how the job could be accomplished in a practical and economic fashion. Thirdly, it has afforded valuable experience in conservation planning and operations to our own technical staff, as well as to C.C.C. enrollees and W.P.A. workers. Finally, it has brought to light many new facts about the nature of erosion and the effectiveness of control measures under varying conditions of soil, slope, and climate.

Aside from these education benefits, the Soil Conservation Service demonstration program has achieved some very satisfying results of a more tangible nature. On thousands of farms, soil losses have been reduced, gullies stabilized, and moisture conserved. In a surprisingly large number of cases, yields have been much higher on treated farms than on neighboring farms where erosion control treatment was lacking.

Furthermore, the benefits of this program have not been confined to the fields and pastures where the treatment was actually applied. By holding soil and water on farms, where they are needed, erosion control practices help to reduce the silting of fertile bottomland areas, of stream channels, and of reservoirs. They also help to cut down the frequency and the violence of flood damage. Accurate data showing the precise effects of soil conservation work on silting and floods are not available. Careful observation, however, has generally confirmed the results which might reasonably be expected.

Comprehensive control of erosion in the United States, however, is still a long way from realization. The demonstration operations of the Soil Conservation Service are not intended to solve the erosion problem for the whole country, but merely to point the way toward solution. Actually this demonstration work covers a rather small portion of the country's erodible land surface, as you can see from the map. If we are to achieve anything like nationwide soil stability or agricultural permanence, tested measures of erosion control and sound land use practices must be applied over much of the areas I pointed out on our map of erosion conditions.

This is a tremendous job. The Federal government certainly can't accomplish it alone and unaided. I doubt if the States can complete the task without some kind of assistance. And the individual farmer stands in real need of help, both technical and financial.

The plain fact is that thousands of farmers in this country are ready and willing to go as far as possible in the direction of soil conservation, but they lack the technical knowledge necessary to establish a sound and effective program. For the past two years the Soil Conservation Service has been working in cooperation with the various State extension services in helping farmers outside of demonstration areas along these lines. On June 5, 1935, it was recommended in the report of the Secretary's Inter-bureau Committee on Soil Conservation that, after June 30, 1937, the Soil Conservation Service should carry on such work only through voluntary or legal soil conservation associations. At first we had expected that the extension services would not only organize voluntary associations, but would assist them to function acceptably in connection with project and camp work. It soon developed, however, that the Extension Service workers were too busy with other matters to devote the necessary amount of time to the associations as well as to other extension phases of the Soil Conservation Service

program. Consequently, we proposed last year to cooperate with each State in the employment of one or more extension conservationists to take over these duties.

At the present time, we have employed jointly 56 extension conservationists in 30 States. It is the duty of these employees to assist county agents in the organization of soil conservation associations; to help in the formulation and execution of association plans; to conduct farm tours for the inspection of Soil Conservation Service demonstration areas and C.C.C. camps; to prepare and distribute information on soil conservation to 4-H Club members, vocational teachers, and the public in general; and to arrange through county agents for the establishment of demonstrations on individual farms outside of project and camp areas.

This latter phase of the work is highly significant for it contains the key to the direction our efforts must take in the future. As time goes on, both we in the Soil Conservation Service and you in the Extension Service are going to be called upon more and more to help farmers or groups of farmers in the formulation of soil conservation plans. Consequently, I want to spend a little time in analyzing the procedure which is now followed in setting up individual farm demonstrations.

First of all, the county agent is responsible for selecting anywhere from two to ten demonstration farms in his county. Then the extension conservationist secures the assistance of soil conservation technicians in drawing up the farm plan. The technicians make a map of the farm showing present land use practices, erosion conditions, soil types, degree and direction of slopes and many other matters. On the basis of this map and the economic information which is obtained from the farmer, a coordinated plan of soil and water conservation is drawn up.

At this point I want to turn the discussion over temporarily to one of our technicians who has taken an active part in formulating plans of this kind for a large number of demonstration farms. He will tell you in some detail just what kind of work is involved in developing an erosion control program for an individual farm. For this purpose, he has chosen one farm which has already been planned and which may be regarded as more or less typical of the problems encountered in this kind of work. By a series of maps, he will show the successive stages in farm planning for soil conservation.

(Discussion by Mr. Webb to last about
10 minutes)

You may be interested in knowing how much it costs to develop a plan like this one. Of course, the expenses will vary from place to place according to local conditions and the number of farms planned at one time. Within the past few days, however, I have received a cost analysis report covering the planning of six farms in Ohio, which are probably somewhere near the average. According to this report, the total expense of planning these six farms, including the salaries and travelling expenses of the necessary technicians, was \$250.07. That makes an average cost of \$41.68 per farm. I think you will probably agree with me that this is a most reasonable figure, considering the benefits which may eventually be expected.

I think individual demonstration farms have a definite part to play in the future of erosion control work in this country. If we can get the job done successfully on these scattered farms, it will aid in convincing their neighbors of the practicality of soil conservation plans and procedures. In the last analysis, however, erosion control is a community responsibility. The individual farmer, working alone, can seldom hope to complete the task thoroughly and effectively.

This is true for a number of reasons. To begin with, erosion is no respecter of the artificial boundary lines separating one farm from another. It attacks whole watersheds or farming regions. Moreover, a thorough job of soil conservation often requires heavy equipment, such as tractors or terracers, and more labor than the average farmer has available. It means obtaining the help of qualified technicians and building structures, such as community watering places, ^{which} ~~while~~ will benefit several adjoining farms. There is genuine need for a mechanism whereby farmers could cooperate in solving their erosion problems with the help of State and Federal agencies.

As you all probably know, such a mechanism is now available in the soil conservation district. At the last sessions, the legislatures of 22 States passed laws enabling local groups of farmers to form and organize legally constituted districts for the purpose of controlling erosion. Already about 15 such districts have been created and dozens more are somewhere along in the process of formation. In the future, I think we shall have to turn a great share of our attention to cooperation with these districts and to assisting them in the formulation of plans and procedures.

Each of the laws as enacted sets up a State soil conservation committee composed usually of the heads of various State agricultural agencies. The State committee is empowered to make the legal determinations in connection with creating a district, to encourage the organization of districts and define their boundaries, to bring about an exchange of information and experience among the districts in the State, and to coordinate the several district programs "so far as this may be done by consultation and advice." Each district, however, is an independent unit of government and not subject to control of the State committee. Furthermore, there is nothing in the

laws which makes the creation of districts mandatory. The initiative for formation of a district must come from the men who actually work the land; it must arise from local needs.

A district is created in somewhat the following manner: Any 25 land occupiers of a given area may petition the State committee to establish a district. The committee then holds hearings in the proposed area at which any interested party is entitled to express his views. At the close of these hearings, if the committee is satisfied that a district is both necessary and desirable, it defines the exact boundaries and makes arrangements for a referendum on the question of creation. In this referendum all qualified land occupiers are entitled to vote. If a majority of the votes cast are in favor of creation, the State Committee appoints two supervisors who petition the Secretary of State for a certificate of organization. Upon issuance of this certificate, the district becomes a governmental subdivision with all the powers and responsibilities ordinarily pertaining to such a unit.

In addition, the district is granted certain specialized powers necessary for the execution of an effective and well-rounded program of soil conservation. The district may conduct erosion control projects. It may enter into contracts with individual farmers and assist them in the formulation of soil conservation programs and the adoption of erosion control practices. If it seems desirable in the community interest, the district supervisors may formulate land use regulations for submission to a referendum vote, which, if passed upon by a majority, may become uniformly effective throughout the area. In furtherance of its efforts, the district may call upon State, Federal, or other governmental agencies for assistance.

It is this last aspect of the districts' program that I want to discuss at greatest length. We have in the soil conservation district, it seems to me, an unparalleled opportunity for cooperative action. If all agencies work together closely in this program, I think success is just about inevitable. But there is real need to formulate at this time a district plan of action and to define the contributions which may reasonably be expected from the various organizations.

In order that you may understand a little more clearly the type of problems which may be encountered in a district, I want to quote rather extensively from a report on this matter recently submitted by the supervisors of one particular district. It reads in part as follows:

"The topographical features of the District such as ridges, valleys, knolls and sinks, with the length, steepness, and uneven contour of slope, make erosion control measures very essential and difficult to put into effect.

"While the mean rainfall and mean temperature may be considered almost ideal for the District, frequent wide variations from these means occur in spring and fall with definite disadvantage. Often excessive rains and extreme temperatures occur which make early spring and fall plantings difficult, interfere with harvesting and limit the number of plants that can be grown successfully.

"The soils of the District present a definite problem because they lack uniformity, are generally fine textured, and the top soil and the subsoil are acid.

"For the most part the District is extensively eroded with approximately 43.2 percent of the cropland showing severe sheet and gully erosion; 52.0 percent, moderate sheet erosion; and only 4.8 percent, little or no erosion. Because of this advanced state of erosion, it is obvious that the soil conservation work will necessarily be difficult.

"Existing land use practices in the District are not, for the most part, those conducive to the conservation of soil and soil resources. The acreage and yields of cash, food, feed and soil building crops are inadequate to supply the needs of the farms. (In one county a survey revealed the fact that there were 2300 farms but that all the land in the county, considering

present conditions, would maintain a decent standard of living for 1400 farm families only).

"Entirely too much of the pasture land is in woods and on poor, abandoned crop land. Gullies are frequent in many pastures, and bottom land pastures are often injured by floods.

"A large percentage of the land has been abandoned due to its improper use. Part of this land is submarginal. Some of it is good crop land but idle because of improper planning and lack of labor and equipment with which to profitably farm it. It often has a poor protective cover which intensifies erosion.

"The woodland consists of loblolly and short leaf pine, and hardwoods. But, because of lack of attention, they are of no great commercial value at present. Frequent fires, grazing and improper cutting methods are now not only detracting from the value of the timber, but are also encouraging erosion by removing protective cover."

In this particular case, the district supervisors, after setting forth their problems, requested the State committee to assist them in formulating a district plan of work. Such a plan was drawn up, prescribing the various land use phases involved and requesting the assistance of a number of State and Federal agencies in execution of the program. Another committee was then appointed consisting of representatives of the various agencies from which assistance had been requested. This latter committee developed a plan of cooperative action, setting forth in some detail the types of assistance which could be expected from each of the contributing agencies.

In the years that lie ahead, we face a tremendous task in conserving the soil resources of the Nation. Now that we have come this far and have learned how the job can be done, I sincerely hope we are not going to relax our efforts. The soil conservation districts have great potentialities for the future. The realization of these potentialities depends to a very great extent on the amount and quality of assistance which the districts receive from agencies like the Soil Conservation Service and the Extension Service.

WHAT CONSERVATION IS AND MEANS AS APPLIED
TO FORESTS.

Earl W. Tinker.

EARL W. TINKER

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substituting for F. A. Riley

EXTENSION STAFF CONFERENCE

December 15, 1937

Room 1039, South Building

REUBEN BRIGHAM, Presiding.

THE PRESIDING OFFICER: We will continue this afternoon our discussion of the conservation of our agricultural resources and with particular reference to what conservation is and means as applied to forests. I will ask the subcommittee to be prepared to take up any questions that may be written out for the speaker after his talk, as soon as he completes it.

Our speaker this afternoon will be Mr. Earl W. Tinker, Assistant Chief of the Forest Service. I am very glad to have Mr. Tinker with us, and we regret very much that Mr. Silcox, owing to illness in his family, was unable to be with us also. We will be glad to hear from you, Mr. Tinker, on this question of forests as a part of our national resources.

MR. TINKER: Mr. Brigham, ladies and gentlemen: I am sorry that I haven't had time to prepare a talk for you that would follow a logical sequence, and I hope you will pardon me if I give you a rather rambling discussion of what I think is a very important subject. Mr. Silcox was very sorry he could not come down, but because of a death in his family, of which he just had word this noon, he could not of course be here.

Now I am very glad of the opportunity to talk to you about

conservation as related to forests because I believe that the Extension Service and the extension organization has a tremendously important part to play in the conservation program with respect to forests. You know a strange thing has happened in the last three or four years with regard to wood. For a long, long time we had an element of propoganda in the United States that we had more wood than we needed, that forest production was not an economic enterprise simply because the wood was not needed, all brought about by the use of substitutes for woods. Particularly in the last two years the chemical analysis of what wood is constituted of has brought around new industrial uses, the limit of which has not even yet been imagined.

We are convinced, the Forest Service is convinced, that rather than a surplus of wood we are faced with a possible shortage particularly of coniferous woods; that is, on the basis of an analysis of the wood situation with respect to the supply of woods of that type. Therefore I think the conclusion can be drawn that the growing of wood crops is at least speculatively a sound enterprise, a sound business enterprise, and it is particularly a sound business enterprise when the grower of the wood can also be the harvester of the wood. You know trees as a crop are a peculiar crop in that they do not have to be harvested at any particular time. Now they can be taken out this year or five years from now or even ten years from now, in accordance with the market conditions and in accordance with the desires of the owner. That very fact during our recent depression lead to extraordinarily heavy inroads

particularly in the farm woodlands. Generally over the country I believe the woodlands suffered because the farmer had to draw on his account in the form of wood in order to get an adequate income.

That situation is unfortunate in one way and fortunate in another. It needs recognition. The fact that the farm woodlot can become the farmer's bank, a secure investment and an investment drawing a reasonable rate of interest, should be a matter of current information and current understanding on the part of the farmers, and therein lies a heavy responsibility with the Extension Service.

There is no other nation with a comparable stage of civilization with ours where there is so little understanding of the potentialities of woodland as a part of the income-producing farm and as a part of the whole farm planning. I lay considerable stress on that particularly because of these new developments in the utilization of wood. I would like to illustrate. Take the situation in the Southern States today. Within the last year and a half or two years there has been invested by capital around one hundred million dollars in new paper-making enterprises or pulping enterprises in the Southern States. We estimate their annual requirements of wood at around four million cords, and that is a lot of wood. Those paper mills are anticipating getting their supply of wood from the farmers. It is true that they will raise some wood themselves. I believe they have already bought around four million acres to grow wood on, but that will be entirely inadequate to meet their needs, and I don't know where this whole structure is going to stop. The process to date with the farmers in the South has been one of exploitation. The

farmer hasn't understood what his wood was worth; he hasn't understood, although he is beginning to understand, that he had a crop, a renewable crop, that should be managed with some of the same degree of intelligence that he would handle any other crop.

A theoretical cornerstone of education is vitally important if the vast majority of the farmers in the Deep South are not to suffer a major economic tragedy through ignorance and through lack of understanding of a few very simple fundamental facts, and to make that represents a challenge to the Extension Service and a very definite responsibility. You have the organization, you have the personnel, I am sure the information is available, but it needs to be carried to the farmers along and parallel with the other information you carry to them about other farm products.

I see in the South, and not only in the South but I point to the South because the situation is particularly dramatic down there, I see farmers, cotton farmers, growing as a part of their current business a wood crop on a considerable proportion of their lands, and interestingly enough the very wood utilization process^{es}/being developed down there are developing substitutes for cotton in the form of rayon and other fabrics, particularly short staple fibre products. The farmer has an opportunity in the South, if he is properly informed, to enter into this whole picture and profit enormously. I see an opportunity to increase the income of the average Southern farmer very materially and on a permanent basis and in a crop that is just as secure, and possibly more secure, as his money in the savings bank, and I think that it will draw a considerably larger rate of

interest.

I point to that situation because I like to stress over and over again at every opportunity the responsibility of the educational services of the Department of Agriculture and of the land grant colleges in meeting this definite problem, and I would like to drive home that it is a definite problem and becoming more and more acute every day.

Well, last week I was out in Portland, Oregon meeting with the lumber and pulp and paper industry in a conservation meeting, and the one phase of the conservation problem in the Pacific Coast states for which they could give no answer was the reaching of an understanding on the part of the farm woodland owner of his place in the picture and how his woodlot or his woodland could be made to pay not a temporary and passing income but a permanent income. There are three or four methods that this could be brought about. We have had a good deal of talk of regulation, going out and forcing this to be done. That is a short-cut and it may be necessary if the other processes can not bring it about, but regulation after all should be a last resort. There are processes such as benefit payments which are prominent in the picture and no doubt desirable. There are processes such as many states have adopted of forms of tax relief. There is the process of public aid and fire protection for the farm woodlot, but underlying the whole picture, in my judgment, is the absolute necessity of a solid foundation of education and understanding. In my judgment, regulation or adjustments of any type will only succeed in part unless you can get understanding on the part of the participants in

the program, and in the long run education of people involved in the forest problems, and that includes most of the farmers in the United States. Education is the vitally necessary factor that will ultimately decide the intelligence of our course in managing the farm woodlands as well as the commercial timber lands in the United States.

Now I would like to speak about one other phase of the whole land use planning set-up in the United States. The relationship of the forest land to the soil and the relationship of the use of forest lands to the whole agricultural economy. We may have a surplus of crops here and there. We may have current distress because of those surpluses, but any long-time solution of those surpluses must involve other uses of the land, and I offer the potential market for wood as yet only partially explored. I offer that for your consideration in farm planning with the idea that ~~some~~ of this land being used to produce surplus crops now might be converted to a crop that need not be harvested currently, but can be harvested when market conditions and the convenience of the owner will permit it to be done and be done with a profit.

Of course there are a lot of illusions about forestry as an enterprise because of the fact that it takes quite a while to grow a tree, but foresters know that forest crops should be harvested annually, not by the process of clear cutting but thinning and improvement cutting and taking out those trees that become ripe for cutting each year, so that forest income can be a current income, but at the same time, particularly in the case of the farmer, he is in a position to build up a reserve account or drawing account which is as

good as cash in the bank that he has jurisdiction over and that he can draw upon as and if he sees fit to the benefit of himself and his family.

Just one other phase of this problem and I have finished. You know outside of the pure economics of this thing, and I am no sentimentalist, I am a forester and have spent my twenty years in the woods in the harvesting of forest crops, planting of trees on the national forest reserves, and I presume I ought to be as devoid of sentiment in the human appeal as much as anyone, but more and more in the last four or five years as I have had an opportunity to observe the forest problem throughout the nation, and as I have dealt with undertakings, well, such as the well-known Shelter Belt project, and have seen the effect of a forest environment on the local people, particularly upon people on the farm, of the attractiveness of their environment along with a background of woods, more and more the economic aspect has sort of faded into the background with me, and I have come to appreciate that whether there was a profit in it or not the maintenance of scenic beauty, the maintenance of an attractive landscape, would justify a farmer in maintaining some portion of his land, the steep hillsides and eroding hillsides, the worn out patches, in maintaining those in a forested condition.

I submit that to you as possibly a little sentimental appeal, recognizing the lack of practical value of it except to this extent-- and last summer I had the opportunity to travel from North Dakota to Texas on the much criticized Shelter Belt project. I talked with farmer after farmer who is discouraged or had been discouraged, who

felt that he was going to leave the country and go to Matanuska, Alaska, or somewhere, and the effect of those trees on his attitude was enormous. He at least wanted to wait and see what would happen, and because his kids were out there playing in an environment of that kind changed his whole outlook. Well, now, that may be an exaggerated case, but I can't over-emphasize, and it is purely a personal reaction, the place that the farm woodlands have in the environment in which the farmer lives and the attractiveness of that environment and the rendering of the farm as bringing ~~to~~ the farm to the consideration of the individual as a desirable place to live. If I had my way, if I were going to regulate anything, I would regulate some of these large metropolitan centers and get people back where they belong in an environment of that kind.

I ask your pardon for spending so long on something that possibly has but little bearing on the question of conservation except to the humane, a phase of human conversation. I would just like to leave you with this one statement that the farmer has an opportunity, under proper methods, to use his woodlot and he hasn't done it in the past, generally to use his woodlot as a part of his farm economy with profit to himself, with security, and in bringing about a general program of proper utilization of the soil and the general better management of his farm. I thank you.

THE PRESIDING OFFICER: We appreciate very much the fine presentation that Mr. Tinker has made. I believe that this is an especially opportune time to have a discussion of this subject because of the growing interest in farm forestry work and also the fact

that the Farm Forestry Act has been passed and will provide us at least with additional funds for this work.

MR. TINKER: As I understand it, I am supposed to try to answer these questions.

"How do forests conserve the soil?" That is a very broad question and a very pertinent one. The answer would be, I think, this: That forests, or certain species of trees, of course act as soil binders and through the protection of the foliage are extraordinarily beneficial for the prevention of erosion, speaking of water erosion. Forests also conserve the soil by the prevention of wind erosion, and in our own research through the use of these anemometers which we string out behind the Shelter Belt in the far Plains States which have indicated that the effect on wind movement-- and this is an interesting figure although it isn't in print yet-- they have to prove it some more and it may change it a little bit-- that the perceptible effect on wind movement was approximately 31 times the height of the trees. That means if you grow a 30-foot tree--and we can do that out there in about four years--we have got an effect on the wind movement out there for about 900 feet. And I have some pictures that I just got of the effect of the lessening of the wind movement on the crops, and those pictures--if those pictures weren't carefully taken in selected spots--would mean just the difference between having a crop and not having any crop at all. I don't know whether that is an adequate answer or not. I can go on discussing that for the rest of the afternoon; that is a broad question.

"What is being done in the South to stabilize local markets for farm timber?" That is a particularly pertinent question right at this time. As far as I know, nothing is being done to stabilize the markets. We hope that something will be done in the form of cooperatives that will deal with timber products. I think that is inevitable as time goes on, but of course the buyers of pulp wood down there don't want to stabilize the market, and this enormous demand is so new that the marketing of wood has not been organized yet. Last week, and this will interest you as a sideline in this type of thing, we had a meeting with these pulp people in Jacksonville, Florida, and later we were informed that the legislature of the State of Georgia was seriously considering, a committee of the legislature, putting on a processing tax or a new tax of around a dollar and a half a cord on wood for which the pulp companies were paying fifty cents, because they felt that the forests of Georgia were being depleted by these big industries, and they wanted to charge them a dollar and a half a cord processing tax and then they were going to turn it back to the farmer to be sure that the farmer got a decent price for his product. Now all that in time will iron itself out because they will be at each other's throats, unless they connive together, looking for wood, and when they do, the situation will iron itself out, but right now there isn't anything being done, as far as I know, to stabilize the market for wood products in the South.

"Timber depletion on farms is increased in years of emergencies or when there are large crops and low prices. Is there any remedy

for this situation?" The only remedy I can offer is the one that I probably over-emphasized--I tried to over-emphasize it--is the education of the farmer in the management of his woodland so that cutting doesn't mean depletion. That is a simple, fundamental forestry process, it involves very simple rules, and depletion, even though they overcut the yield, doesn't necessarily take place. It might be that you would have to wait some period before you could cut it again, but it wouldn't mean depleting the growing stock. That is pretty near axiomatic in any sensible forestry program, so I don't think the overcutting that is taking place or will take place in depression periods necessarily means the ruination of the woods providing it is properly done.

"What type of program may be feasible for stimulating farm timber owners to apply approved forestry practices?" I am glad some one asked that question. As you probably know, we receive aid, passed in the last session of Congress, what is known as the Cooperative Farm Forestry Act. We are hoping--I know Dr. Warburton is anyway and Mr. Brigham--that the Budget Bureau will treat us kindly and that we can augment the Extension Forestry organization to within some reasonable balance with your whole structure of extension people. Right now I submit, and I tell Dr. Warburton and Mr. Brigham, that they are all out of balance, we need more extension foresters to train your county agents and your extension people in these simple, fundamental rules, and sell them the idea of woodlots as part of the farm economy, and how that can be obtained. Now what luck we will have in really augmenting the force of extension foresters of course

I don't know, but that seems to be the only answer to bring about the stabilization of the farm woodland, and whether or not there is considerable public appreciation of the importance of this subject I am sure I don't know. There will be in time, but if it is too long a time the farm economy of the nation is going to suffer and suffer very materially.

"In order to appeal to the farm owners, forestry should pay for itself. What type of program is suggested for poorer timber producing areas where this is not possible?" I don't know the answer to that question. If land is so poor that forestry won't pay for itself, then of course the land has to be pretty worthless, and I would suggest that that land be utilized for goat pasture or for game production. I think there is some possibility along that line, but your normally worn-out pasture and your normally eroded field will pay for itself as the only product that will render you the satisfaction and will build up and stabilize the soil, so while it may not pay for itself from the standpoint of selling wood, it will pay for itself from the standpoint of tying soil down and of building that soil up so that it will again become a productive piece of land.

"Can you give us some facts regarding wood utilization in building inexpensive houses in connection with research work being conducted by the Forest Service in Wisconsin?" The Forest Products Laboratory in Wisconsin has done a vast amount of work on these so-called prefabricated houses--that means what we call a "cookie cutter house." Everything is all cut out and you put it together, and they have used in that plywood which makes a very attractive appearing house

that can be set up in practically no time at all with very limited expense and is reasonably permanent. That development has been going along for quite a while now and has become, oh, I wouldn't say generally accepted, but quite a few concerns are now trying to sell that type of house.

You know there is a peculiar thing about wood. Wood is the natural working material of the farmer. That is the material that he understands and can go out and build something out of. He might not be a brick layer or a stone mason, but he can use wood and that is why we are all concerned as a part of the whole problem for the availability of this wood to the farmer in your great agricultural states where forests do not occupy a very large part of the land. As the forests are gone from the Lake States, the farmer in Illinois has to pay \$18 freight rate on his lumber where he used to pay \$2. That is a matter of some concern, and I understand right now they figure a potential market for wood, outside of these prefabricated houses, in the great agricultural belt in there of around four billion dollars to put the farm structures back up to a reasonable standard of maintenance, but the farmers just can't afford to pay the price, and that is why in the whole farm economy we need an accessible wood supply and a reasonably cheap wood supply because it is the natural working material of the farmer.

"What portion of a farm would you suggest to plant with forest trees?" That is a rather difficult question to answer in a broad generality. It would depend a whole lot on the topography of the farm, on the crop rotation, whether there were worn out and eroding

fields, steep hillsides that shouldn't be cultivated at all, and so on. In the South under the present situation and with the present market conditions, I don't know but what I would recommend that 80 per cent of the farms be put into woodland. Just at 12:15 today one of the biggest industrialist in the South was up talking with me about this whole thing and how much of his farm ought to be in woods, and he was concerned in four states--he had enormous investments in all--but strangely enough he was concerned with that two-plough cotton farm, what was going to happen to him, the standard of living was down so low and the market for cotton was going down, and what not. And this fellow had worked his answer out for himself, that the use of a big proportion of that farm for the production of pulp wood or poles and ties was the answer, and he wants some way found to educate those farmers so they will understand and go into forestry as a part of their farm enterprise and along parallel with their cotton production, showing you how far this thing has gone and how much real thought is being given to it.

"How can the Extension Service function effectively in a program for the conservation and the restoration of the farm forest?"

The only thought I would have is to carry on as you have been carrying on, only giving the farm forest a greater place in your educational program. I have no hesitancy in saying that I don't think the Extension workers have had the picture; I don't think in their educational assets they have understood or have carried in their minds and in their conversations the farm woodlot as a part of farm economy. That is a broad generality and you can point out all sorts

of exceptions, but I am perfectly willing to make that statement in this meeting that the Extension Service hasn't recognized the farm forest problem in its program, and if you want to know how the Extension Service can do it, all I can suggest is get some more extension foresters and more information available, and then lay some emphasis with the men, the field workers, on the necessity of having this program in mind and the necessity of putting it over. I realize that is a rather indefinite answer and puts the burden right in your lap.

DR. SMITH: You may be interested to know that we are getting about eight-tenths of one percent of the extension workers on forestry.

MR. TINKER: I repeat my statement. "How can^{the} forestry conservation program be best coordinated with the Extension Service?" That matter has been the subject of some debate in here. We have this picture of state forestry organizations along with the Extension forestry organization, and the land grant colleges, and so on, and the general conception we have had, and I believe it is generally agreed to, is that the education work is the function of the Extension Service and that any work that parallels that work is a duplication. I doubt if there is any argument on that point. Certainly as far as the Forestry Service is concerned, we feel that the educational problem is the job of the specialists that understand education, and therefore this whole educational approach to the problem that I have been talking about is the job of the Extension Service and no coordination should be necessary. If the responsibility is recognized and if the Extension Service will do the job, why, of course they ought to occupy the whole field and^{it} ought to be conceded to them. Now I

realize it hasn't been conceded to them a hundred per cent, but I am not sure as far as the forestry enterprise is concerned that that isn't true because the Extension Service hasn't recognized the problem in all its magnitude. Of course I realize that everyone boosts his own problem. You would think it was the only one in the world, but at the same time I rest my case on facts and leave it to Dr. Smith to say if that isn't the case.

"Is there more profit in nut trees than trees for wood?" Well, as far as I know, most of the nut trees are used for wood, and of course if you can grow them, why, it is desirable to do it. Hickory and walnut and so on are very highly valuable woods, and I think that probably in general it would be highly desirable to grow them. Anybody that can grow walnut and can do it successfully certainly would be very foolish, if his land and soil were adapted to that, not to grow it, but unfortunately it is not easy to grow it on any extensive scale. The same way with hickory. So I would say in general the answer to that question would be that nut trees are usable, nut trees are used both for the nuts and for the wood that they produce, and it happens that the wood in most cases is highly valuable.

"To what extent has political exploitation been destructive rather than constructive for forestry?" Well, I will put that up to Jim Farley, I guess. I don't think that so far--I know in the Forestry Service in my twenty-two years of it, that the political aspects haven't concerned me one iota, and with respect to the Civilian Conservation Corps, at one time I administered 326 of their camps, I have never had a case of political interference that couldn't be done

away with with the proper explanation. In connection with the C.C.C. work there is some politics in it, but the extent to which that politics interferes with the undertaking is very limited if it is properly handled. I think it is probably negligible. Of course there are a lot of appointments that have to be approved that are suggested by politicians, but nevertheless that is there and we have to do the best we can with it, but in the forestry program as a whole, I don't believe that there has been very much political interference. I hope that that continues to be true.

"What of the grubbing out of Osage orange hedges in the Central States?" Well, I will have to ask somebody else to answer that. Mattie, can you answer that?

MR. : I am partly familiar with the situation. The tendency is to grub them out and get rid of them in favor of wire fence lines because of various reasons--the weeds, the difficulty of getting rid of them, and the sapping--I think there is a little of a rage on that subject, or a little of a popular wave, because we get inquiries about the planting of Osage orange in other places for the very same purpose.

"How shall we market our poplars for profit?" Poplar is a fine shade tree and makes a rather mediocre fire wood and can be sold for cord wood, and in some places is sold for pulp wood, but it is generally considered more of a windbreak tree or a shelter tree and a firewood tree and not generally grown for profit. It makes pretty good fence posts when treated but not if it isn't treated, so I wouldn't consider it as one of the most desirable commercial treesx

to grow for a profit, and the market for it, unless you have some pulp mill in the vicinity, would be very, very limited. I believe in the Lake States that there is a good deal of it sold for pulp wood and in that country where it grows to considerable size it is sold in the form of lumber which is used for meat packing boxes; Swift and Armour use a good deal for meat packing boxes because it is odorless and that is considered highly desirable for uses of that kind.

"What phases of forestry do you think can be best conducted in Four-H Club work?" The general practice in connection with 4-H club work has been of undertakings like the establishment of community forests, and the 4-H club would assume responsibility of planting up a three or four-acre tract, or they have put in a vast number, over the entire country, of demonstration forests that have been used to educate the people in forestry enterprises. I have always felt that the 4-H club type of effort from an educational standpoint, while it might not come to a head in my day, was an extremely sound approach to getting the American people to have some forest consciousness, and that has been the general approach and I think probably the most desirable approach of getting the 4-H clubs to take an interest in some, particularly demonstration, forests and do some work on them and assume some responsibility for them. I always like to see them too when they can be integrated with some game-management phase of the whole conservation picture. If a 4-H club gets involved in that we should get some game in along with the trees if it is in that type of woods. They are apparently just fascinated by it and the education takes hold very easily. I believe I have finished.

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WHAT CONSERVATION IS AND MEANS AS
APPLIED TO WILD LIFE.

Dr. W. B. Bell, Chief,
Division of Wildlife Research,
Bureau of Biological Survey.

EXTENSION STAFF CONFERENCE
ROOM 1039, SOUTH BUILDING,
December 15, 1937.
3:05 p.m.

REUBEN BRIGHAM, presiding.

THE PRESIDING OFFICER: In the discussion of the first subject this afternoon, we had several references to the next topic on our program. I assume that Dr. Bell has the answers to some of the queries that were raised and I assume that we all have quite a keen interest in conservation of wild life from various standpoints. Now, I will say for Dr. Bell's benefit that it has been rather difficult on referring to Extension questions where there is not considerable discussion to different aspects. I mean legitimate aspects. There seems to be quite a bit of enthusiasm among the Extension workers in the field for hunting and fishing, more than in almost any other field, and I think that we all will agree that we have had a good many invitations to stay over after a conference to enjoy the good hunting and fishing in the particular State that we are in.

We are also very glad to have with us an old ~~friend~~ friend of Extension workers, one that has been associated with us for a great many years, and I am sure he will have some things to bring to us to put a new light on some of the things we have done in relation to this field. Dr. Bell.

DR. BELL: Mr. Chairman, ladies and gentlemen. It is a real pleasure for me to meet with you folks again this afternoon. When this very pleasant task was assigned to me I was told it would do me good to get down and meet with my old pals down here and it

certainly has been a pleasure to meet with you people and talk over these things in which we are mutually interested. I was given the topic of "What Conservation Is And Means As Applied to Wild Life."

Most of my association has been with you people in the matter of control of injurious species rather than from the standpoint of conservation on the farms, but there are a few things that I wanted to talk over with you this afternoon, not that I will be able to settle these things, but so we can get together on them and compare notes and perhaps swap ideas.

Conservation is pretty much a name. It covers a lot of wild ideas as well as wild life and there are a few of those that I want to take to pieces this afternoon so that we can look at them and figure out what they mean. It sort of reminds me of the ~~xx~~ tramp who came up to the farm house door and asked the lady of the house if she wouldn't please sew a pair of pants on that button for him. That is about the status of our conservation work here; we need not only to furnish the pants but in many cases the substance that goes ~~in~~ in them, so I thought perhaps it would do us good to think over the conservation and analyze some of the ideas that have been floating around and see if we can figure out the ones that we think will be really sound and workable.

I learned a lesson in conservatism ~~a~~long time ago when it comes to dealing with ~~farm~~ ^{farm} ~~some~~ folks, county agents, and Extension people generally when we started some operations out in North Dakota. I remember some years ago one of the county agents said, "For God's sake, Bell, make sure that this thing will work because I have to live with

these folks after you are gone." I have always tried to look at it from that standpoint. I don't believe in fooling the farmers, and so perhaps I am even more conservative in these things than some of the people writing magazine articles these days and telling about the wonderful things that can be done in raising money ~~xxx~~ ^{through} wild life on the farm. I have just blocked out a few of the points. Merritt told me I was not to talk too long, so I have just blocked out a few here that it might be well for us to think about.

Let us keep in mind that the production of wild life and wild life conservation must be tied up with practical type of land use. It is really a land management problem as I see it and the production of wild life on the land needs to be simply one of the phases of profitable or multiple land use as the foresters probably would refer to it, profitable from rather a wide variety of angles.

Mr. Tinker rather apologized at the end of his speech for bringing in the sentimental angles. I want to start at that point because in many ways I think that is the proper approach to this whole wild life picture as it relates to farms, farm life and farm people. Making money is not the only object in living on a farm as I see it. There are many other considerations as I see it. The building of character, building of strong bodies, the quickening of the spirits of the young people as well as grown ups and getting enjoyment out of it, all of which does not only inspire Burns to write poetry but it opens up a lot of other things in the minds and hearts of people who are living on the farm. I wanted to raise the question of where wild life comes into the farm picture and into the national program of

agriculture, and that is the first point I want to make, that wild
 life does add interest and ^{stimulus} ~~stimulus~~ to the life on the farm. If you
 folks have grown up as I think most of you have as I did on the farm,
 I will only ask you to think back over your youthful days on the farm
 and perhaps think about it for awhile and keep on thinking about it,
 and see if that is not true, that after all most of the things that
 have stuck by you in life have been the things that you saw and
 thought and did and were stimulated by the presence of either the birds
 or small animals or other types of wild life around you. It might
 have been the flowers, plants, or things of that kind. But let us
 just keep that in mind because I think after all, and that has been
 our experience as we have gone around among the farmers and the farm
 folks, it has been my own experience in my own contacts as I used to
 meet with farm groups ranging from the youngsters in the community
 on up to the folks in the Extension meetings that you folks are
 accustomed to all the time. So I think that is sound. Those of us
 who are professional zoologists are ~~incl~~ apt to be inclined to think
 that we are differently constituted from other folks and may be the
 things appeal to us more than to the ordinary run of humanity. I
 don't think that is true and after I have met with farm folks and
 school folks and boys and girls and my own neighbors around the
 communities, it is rather interesting, gratifying, and surprising to
 see the extent that present wild life enters into the life, thought,
 and activity of the people, so I think this point number one is a
 point that is worth scoring pretty high in our appraisal of the human
 relationship to wild life on the farm.

Then, most of us who know farmers and farmers' boys know that they like to hunt, and on their own land. And the development of a sound wild life management program can well be associated with this sort of thing, that is a sort of inherent with the boys and girls and men and women of the farms, the liking for the hunt themselves and the enjoyment of the delectable foods that come from the take. Most of us can perhaps remember the delicate squirrels, quail, and rabbits, and that sort of thing that were apart of the menu, that sort of supplemented the cured meats and things of that sort that went with the farm so there is that second angle, then, the element of hunting for the sake of the people that operate and control the land.

Another angle is that of trapping, the proper development of the fur raising on the farm means a very material income. You know probably a good many people that put themselves through high school and college by the profits of trapping animals on their own farms and on the farms of their neighbors. It is more true than most of you realize. The annual returns from furs, trapped largely by farm boys, runs around \$60,000,000 a year which is a figure that is rather surprising, I take it from the expressions on some of your faces, and it is a factor worth figuring on. I will probably elaborate on that later, but I just want to drop that one point right here.

Here we have a thing that is open to sale. There is a constant market for it. There is a steady demand; that means a profit and it can be very materially increased. Then, another thing that apparently appeared very strongly to farmers as we have been studying their attitude toward hunting is that they like to invite their

friends out to have a hunt with them. They like to bring in their business associates, the banker, the baker, and the candlestick maker, and all the rest of their friends who enjoy a hunt. They appreciate the opportunity to come out and meet the farmer on his own ground and to hunt with him, and the farmer in turn appreciates what he gets from association with those people and the social contact and advantage that comes from that sort of friendly human get-together, so that is the next point. There are social advantages that are very materially worth figuring on. We have been carrying on an exceedingly interesting study on the economic angle of wild life production and the possibility of raising wild live as a supplemental crop. That work has been carried on by one of our biologists working with a farm management man. We wanted to get down to prices on this thing as to whether or not there was really money to be made in raising wild life as a supplementary crop. Well, we still think there is under certain circumstances. I don't think it is a thing that we can broadcast and lay down a blanket rule that it is going to pay everybody but there are circumstances under which it can be made a highly profitable proposition, in which a reasonable return can be gained, I think, without any question, if it is properly combined with other types of cropping and livestock raising and poultry raising and goodness knows what not that can be done on the farms.

In that study the game feature has been given the primary consideration because that was one of the things we wanted to find out about, just as definitely as we could where game came into the picture and where it could be harvested to advantage. That brings up the

attitude of the farmer right away towards hunters and hunting, and if you have traveled around over the country and have seen the "No hunting" signs posted everywhere you probably know that generally farmers don't like hunters. Hunters are a nuisance on the farm, in many cases shooting livestock and tearing down fences and doing a lot of other foolish things that no sensible man ought to do on the farm if he respected other people's rights and property, so there is a thing that we bump into first thing, the more or less general antagonism on the part of the farmer toward the man who comes on his land to shoot and they are relationships ~~wk~~ that must be reconciled if the harvesting of wild life on the land is to be done by the outsider shooting. We must have a reconciliation of the proper type between the farmer and that brings in again the whole matter of harvesting aside from the harvesting of the crop by the farmer himself and his boys and his neighbors and the extent to which the people in town can be brought out to garner the harvest because its primary use is as a recreational feature. People will pay good money for the advantage of a good hunt, that is, in some places they will and ~~some~~ other places they don't want to, and that is another problem again. Our people have grown up with the thought that hunting was free that the one dollar license would privilege them to go on anybody's land and shoot anything they wanted to from hogs to chickens and up and down, so there are some things to straighten out and the men engaged in Extension work have a real job on their hands in thinking out with us and in reconciling those antagonistic relationships and getting it over to where there will be proper teamwork and a friendly association between the farmer and the sportsman.

There is a good deal of difference throughout the country and that is one reason why I say there is no blanket plan that will work everywhere. Down in Texas they have followed the custom of hiring out shooting privileges. The ranch men are accustomed to taking plenty from the man who wants to hunt on his land, no question raised about it. In other sections of the country down in Southeast they are getting the habit of renting out their land so much per acre to people who want the shooting privilege on it and they get a fair return on it. Then, other plans have been tried in recent years. You may ~~have~~ have heard a great deal or read about that famous plan in Wood County, Ohio. There are advantages in that the association there, you will be interested to know, was originally organized to protect the farmer against the hunter, that is, to carry out a plan to assure themselves against abuses by irresponsible hunters who come on their land. It also involved an opportunity to raise money for their churches. Here was a community enterprise which could be tied in with a program of restricting hunting on the farm and controlling it to permits issued by the farmers and in that way getting a workable scheme to preserve wild life on their farms.

You have probably read a good deal about the Williamson plan in Michigan and then Iowa has given a great deal of thought to the plan they have for controlled shooting, and the development of their wild life resources. The experience with Iowa, I am just dealing very frankly with you on some of these things because I don't want to dodge the issue and because the raising of wild life may be in some cases

more or less precarious and involved. That is true, of course, in raising corn and oats, that is true of everything. The case in Iowa is rather interesting though. You may recall that about a year ago they had some terrific winter weather. They had a fine crop of pheasants all ready for the shooting and had kept over a pretty good supply for the breeding stock the next year. Here comes an exceedingly severe winter and a good many of the birds were suffocated by the fact that their breath froze around their nostrils and they died in that way. Then, along with the building up of the nice population of pheasants they had built up a nice population of foxes which is of course an economic asset ^{and} ~~is~~ something worth while probably, but here they shot heavily in the fall on their birds, winter cut them down some more and they had a fox population that was probably well balanced in the first place but when the birds were so heavily reduced, the foxes were just a little too much and they took an incredibly heavy toll from the birds with the result that Iowa is pretty hard hit ~~with~~ this year with their pheasant supply, and as I recall the game commission tried to cut out shooting for awhile to allow the birds to come back. There are some of the angles we want to keep in mind when we figure on just where the wild life comes into the picture. If people use their heads and under the right circumstances I think it has a very definite place and can be made a paying proposition but let us not go out and tell our farm friends that everybody can make a lot of money by going out and raising wild life as is being done in a lot of wild cat magazine articles and newspapers and stories passed around

the country. Let us just be honest with folks and deal with them the way we want them to deal with us under similar circumstances.

Another problem is what can be done to improve wild life conditions for hunting and trapping on the farm. I will just outline a few of those because I thought maybe you would like to have some of those in mind. One of the primary things that must always be considered ~~ed~~ is the providing of adequate food and cover. That is of first importance and that is the place where the introduction of clean farming and the settlement of the country, the cutting out of those hedge rows that was mentioned awhile ago and a good many other things have made conditions exceeding difficult for quail, pheasants, prairie chickens, water fowl, and the fur bearers, many of them, and the rabbits and squirrels, and all those other things that people prize as game.

Mr. Tinker was kind enough to suggest that land which was forestry not fit for ~~forestry~~, that was about next to the last word for use of farm land, might yet be used for wild life and that is worth while figuring on. In our study we maintain first class farm land and see whether wild life could be made to pay on that type of land. At the same time I think it is generally recognized that wild life fits into the picture even better with sub-marginal land. Let us think of the land around our old fence rows, possibly some ditches and gullies ~~x~~ that probably need to be fixed and kept from eroding; possibly a marsh here and there or possibly a swamp or stream running through. That is the sort of thing we want to bring into the picture when we sit down and talk to the farmer about raising wild life on his farm. There are those places that are not being used to advantage, and if

we can turn those into production as is being done with wild life, then it properly comes in as a supplement and is a very definite and nice part of the farm production picture.

A good deal has been suggested and very properly in ways of providing additional food and cover for wild life by not only letting trees and shrubs and things of that sort grow up in these corners and along the fence rows and in places where ~~w~~ erosion is cutting ditches into your fields and things of that sort ^{but} ~~that~~ also by leaving special food patches just for the birds or the animals whichever it may be. That may be in the way of one or two rows or a little strip along the fence that was not worth cutting and which can be saved for wild life until harvest, and in many cases the actual planting of actual strips. That is being done in bottom strips of woodland and in little corners along the farm and even out across definite fields where planting is being done following the harvesting of the major crop, the planting of something that will mature seed or food for wild life between the ~~f~~ growing season, and particular attention must be given to those things that will be ~~af~~ available to the wild life and to these wild life creatures during ~~periods~~ what is probably the hardest period of the year so the creatures will have ~~xx~~ proper food and cover during the critical period of the year which is probably the dead of winter or along late in the spring when things are running short. After all when it comes to most of these wild life problems they need to be studied in this year around way because there are apt to be perhaps one or two months or perhaps a week or so when food is short and then heavy mortality comes in and the losses come in and it

may be just in the case of a year ago in our national forests, there was plenty of forest food but a little critical period when they must come down from the hills into the lower valleys when ~~g~~ food is short and that is when most of our losses in deer and elk will occur at the present time. It is not during the summer. It is worth while for the farmer to figure on saving on that marsh and swamp areas. It is surprising the amount of muskrat fur that can be taken from the places and little places where waterfowl will gather and probably afford a little additional food and a great many problems come up in connection with those ^{marshes} ~~markets~~ and swamps which used to be that the first thought of the farmer was to drain those off and make a little more land and there has been a world of good wild life country ruined that way, both in this country and in Canada, so drainage has been carried on ~~th~~ and the farmer often wishes that place full of water for a good many reasons. Under one pretext or another they have been drained, to have control of mosquitoes and for getting rid of malaria. From the health standpoint we are perfectly willing to concede when a question of health is concerned that human health should come first but that thing has been over emphasized in a good many places. There has been a good deal of drainage done that there has been no health or comfort justification for and that has absolutely ruined the areas for wild life and we have some interesting studies ~~on~~ of that sort showing in detail just exactly what this drainage does in the way of destroying invertebrate creatures living in the soil and the plants and the ~~destruction~~ destruction of plants also and many other things on which our wild life is dependant.

Then, another thing that can be done is to supplement the ordinary production of fur animals, the wild muskrats, skunks, minks, and things of that sort that grow valuable fur, the value of which I have already indicated to you. The actual raising of fur animals on fur farms has gotten to be an established part of the agricultural set-up in this country. There are some 30,000 fur farms in this country scattered in some 38 of the states with an investment of \$50,000,000 in equipment and in animals. It is a going concern. I remember when we first tackled some of these fur problems it was kind of a wildcat, loose proposition but it has been going along steadily. We have kept constant pressure on that to put it on a business basis where the sale of pelts was the justification for producing animals and now it is going in a pretty good sort of way. Last year, for instance, there were 200,000 silver fox pelts marketed off of fur farms, when you think back about 15 or 20 years when just an occasional one was picked up and realize now it is a steady farm production. I was on one of those fur farms this summer where they were raising 30,000 foxes for market this fall and last year they marketed 200,000 pelts, when you total that up, 200,000 pelts at \$8,000,000 and they estimated the crop of animals this year, that is silver foxes, will probably be around 250,000. In addition to that, mink farming is on the up and up very strongly. During the last ten years the raising of mink on fur farms has been going very strong and with good profits and very interesting results. It has been interesting to note that these fur farms have been making money when the other farms have been going the other way and not making a profit. There has been a steady

profit coming to those engaged in raising these fur animals. It is on a basis now where feed and management practices are well established and anyone with intelligence can tackle it with a reasonable amount of assurance that they can make something on it if they have any animal production sense so there is that possibility. Some of you may know that some of the 4-H Club boys have been getting into that in Oregon. They have been doing some rather remarkable things in producing and doing what they can do. Even more of them have been engaged in raising rabbits perhaps. Our rabbit is rather a lowly creature, yet our cottontail in the wild is probably the greatest little game animal we have in the country and gives more meat than almost any game animal we have. It is not quite as spectacular as shooting deer and elk but lots more people probably enjoy it and the raising of domesticated rabbits lends itself very well to 4-H Club work. It means a delectable type of meat for the family and many families are rounding out their meat problems very nicely by raising rabbits along with the poultry or exclusively. There is an opportunity with an animal that multiplies rapidly also to learn all of the fundamentals of animal husbandry and the feed and management and all those things about the raising of animals. The youngster can get a start with his rabbits and learn the elementary things and later on he will want to practice in raising hogs, sheep, and horses, and what not, so I just want to call attention briefly to that. It is just one of the growing things. I think possibly more and more the 4-H Club youngsters are getting into that type of project. It has been suggested that the raising of

Angora rabbits was a very nice project for girls and probably at the same time it can be worked into their spinning program and it gives them a chance to raise an animal that is handsome and the making of garments and a lot of other things of that sort that they enjoy doing.

I have just suggested that in regard to farmers' cooperative organizations that those in our experience have been organized in the first place as a means of preventing damage and then they have been built up from the standpoint of getting a reasonable profit through a united action on the part of a large number of land owners. A group of farmers in a township, we will say, or several groups of townships in a county or counties will organize so that they will have complete control of hunting privileges on their own land, that is, say who is to hunt, how he is to hunt and if he doesn't behave himself he will not get in there again, and various things of that sort and all that is necessary in order to insure a reliable type of hunting. Along with that in the hunting of game and in your 4-H Club work and other Extension work, there is the opportunity to train youngsters in the elements of good sportsmanship. Not only in playing football and things of that sort but in the practices and principles that make ^{good} for ~~this~~ sportsmanship among hunters they really have some ethics among those sportsmen and among those people, and there are some fine lines of human contact that need to be cultivated. In addition to these plans, I may say the plans are exceedingly varied. It is one of those things that are in the formative state, and we have been studying those in connection with this program that I mentioned a few minutes ago. Our men have gone into each of the 48 States, ^{checking} ~~picking up~~

as best they could on the farmer-sportsman relationships problems involved in this whole matter of hunting and wild life production from the standpoint of possible profits on the farm and along with that these various plans are being tried out where they will have possibly a definite charge of so much for a permit to shoot on the lands of the individual or the group whichever it may be. We have a variety of suggestions and we are hoping that out of those may evolve in time some really workable plans and in addition the profit that comes into the farmer. We try to keep in mind the community angle. The farmers often have socials and things of that sort, suppers or dinners after the hunting day is over and that brings a good deal of business to the hotels and to the man who sells ammunition, gasoline, and what not. There are some of the angles, then, to this problem, various problems involved in what can be done to make conditions better for farm production of wild life from the standpoint of shooting and trapping, the improvement of food and cover, improvement of farmers-sportsmanship relationships and all that sort of thing. There is an opportunity for extension people to do some good work in spreading the thought that it is a good thing for young people and everybody to obey the law, laws governing hunting, trapping, as well as laws of other ^{sorts.} ~~sports~~

I was going to say in connection with trapping awhile ago and forgot it that there is a nice opportunity for some first class educational work as indicated that the market of fur animals amount to \$60,000,000 and the value of that crop could be increased tremendously every year if the youngsters would learn how to handle - and by the youngsters I mean everybody that traps - if they would learn how to handle furs,

prepare them and clean them and get them ready for marketing and also if they would learn to harvest the animals at the right time.

There is muskrat trapping along in September when the fur is not prime. It is like the cattle industry used to be, first come first served, and they jump in and get everything they can with the result that they are getting a lot of cheap pelts that do not bring them much. If they would hold off until the furriers' profit comes up to its peak, at its best, they would get a very much more cash for a much smaller catch, and at the same time they would be making more money every year in the annual turnover of their fur crop. There is a lot to be learned about the production of furs for the market. It is worthwhile to stop to realize that with fur animals the pelts keep coming up and up until we reach a peak of their primeness. That has been very evident in raising furs on farms where he can watch it right along and catch what he needs and when they reach that peak of greatest value, he can harvest his crop and get top prices for what he gets. We have come to recognize that in the course of four or five days your pelts are at the very best; they have come up to that point and then they go down the other way, so there is a lot to learn and a lot to pass on to the people about the time of trapping and the preparation of furs in connection with the trapping.

I presume most of you know that so far as the Federal Government is concerned, the only control we have over wild life is in the matter of regulation covering the taking of migratory birds, that is ducks, geese, swans, and those birds that ~~fi~~ migrate north and south. We

have a treaty with Great Britain concerning birds that migrate back and forth to Canada, and for the last several years we have had a similar treaty with Mexico, so we have got a pretty complete coverage in the matter of regulations to govern the taking of migratory birds and that has made possible extended studies of the condition of the birds and for discussions of ways and means by which that supply that has been hard hit by drought or the settlement of the country can be built up to a reasonable numbers that we will want to maintain.

The State laws govern the taking of fur animals and the taking of our big game and practically all of the upland game and things of that sort, and the Bureau of Fisheries governs the taking of seals, sea lions and the other marine animals. You may be aware of the fact that the Bureau of Biological Survey has reorganized its field work into ten regions with a regional director at the head and Mr. Young asked me to pass on the word that they will be glad to ^{coöperate} /through their staff of 40 or 50 men and others to help out your Extension Directors, your county agents, and all the rest of the people. Those men know a lot about the wild life of the country and so can be of a lot of help in an advisory way, possibly making talks and things of that sort.

The wild life refuge program of the Biological Survey may be of interest. I have brought an interesting map here that will show a little of the distribution of the refuges. A large part of this has been built up from the standpoint of protecting the waterfowl that come in to this bottle neck and run down into the Mississippi Valley. Then they spread out into Mexico and into the Gulf country

and things of that sort and these larger ones are from the larger refuges. There is an interesting development here in North Dakota. The easement program of these other areas have been set up here by Executive Order or by the purchase of land or other ways. The other areas that is now in refuges in one way or another runs around four and one-half million acres, about two and one-fourth million acres having been acquired in the last four or five years so that the program is being built up and it has been pretty definitely thought out because part of the waterfowl program was tied up with the relief work and the effort to save these people in these areas. Previous to that, of course, we determined the fact that great numbers of birds nesting in Canada and our own North country came down into this funnel here and so there were distributed a number of refuges here where the birds would have about one hundred miles from one to the other so they could get food and shelter and a safe place to rest. Hunters complain that they head for the ~~xxx~~ refuges and they can't get to them, but I guess they will be satisfied with that in due time, so there are those refuges scattered over the country. This easement I spoke of ties in very definitely with farm handling. Out there they conceived the idea that they wanted more water on their lands so they have given to Biological Survey perpetual rights to certain parts of their land so that they can be developed by dikes and dams and fences to make conditions more favorable for wild life and at the same time it gives the farmer a water hole and reservoir of water there. The plan is working out very nicely and large acreages have been acquired in that way.

In addition to those waterfowl refuges, and by the way the waterfowl refuges in practically all cases protect not only waterfowl but practically all forms of bird and animal life of the localities including many of the big game and little game, fur bearers and things of that sort, among other things, birds, because we have about eleven so-called big game refuges on which buffalo, elk, antelope, musk-oxen, big horn sheep, deer, and so forth, are being protected. There are several hundred thousand acres involved in those areas of land. Now, I just wanted to mention the fact that I can't tell you all that is known about wild life matters or the detail of handling farm wild life profits or the plants that should be planted for food in the time at our disposal this afternoon or in the time of your patience possibly, but we do have a lot of literature on that subject, blocking out plans for farm operation and for farm handling for the plants that can be used to provide food and cover and we work with soil conservation service in advocating the planting for soil erosion control purposes, plants that would give food and cover so as to get a dual purpose out of a farm life. We have worked with the Forest Service, too, in ~~the~~ hope developing their own plan of management and ~~when~~ to keep on there because that is one of the great reservoirs of wild life in this country, and one of our great opportunities to ^{save} ~~save~~ wild life and wild life centers that is really worth while. We have a lot of literature that deals with farm plans and methods of erosion control and all that sort of thing that I ~~xxx~~ should be glad to put at your disposal if you want it.

Another thing I would like to mention is what we consider a very fundamental application of some of our wild life problems, that is the establishment of ten so-called cooperative units that tie in with the State Game Department, Agricultural Colleges, and Biological Survey, all thrown into a common plan made up of representatives of those committees that get together on things that should be done in the way of research and then to set up demonstration areas to show how it can be done, and to make the thing graphic between actual demonstrations and educational program mentioned, we are trying to hold it down to a pretty select group of men who will take such training in the field of game and who will get actual experience in the handling and management of the areas.

I want just in closing to commend the summary that Mr. Bode gave us based on the year that he spent with you as an Extension Biologist. We appreciate the fine work and the opportunity that you folks have and the attitude that you had in helping to promote the wild life interest in the country in wild life production. We were particularly gratified with the opportunities you gave Mr. Bode and for the way in which he took hold of this thing and analyzed it and put it on a pretty sound footing. I want to commend to you if you haven't already received a copy of his summary, giving an analysis of what can be done through the extension service in promoting wild life work and promoting those things that should be done still and summarizing also the things that have been accomplished. We also worked with Miss Ruth Lohman some little time in outlining some things that can be used in the schools and club work in promoting conservation education.

That, I presume, will be available before very long. Mr. Wilson can tell us about that better than I can so those are some of the things about wild life, and we will be glad to cooperate with you folks and we will appreciate your cooperation in getting over to the farm public the things that are sound and workable in helping us to avoid being misled by the man that comes on with the high sounding program that may be doesn't have the fundamentals behind it.

Q. Can the development of the wild life program be best effected as an individual or group activity?

A. I imagine, as we found in most cases, there is one live individual that starts it and then it grows into a community affair. That has been ~~our~~ our experience right along, that some one individual gets the ball rolling and probably interests his neighbors. That is true out in Wood County that you had one live spirit who not only has got things going but pretty largely keeps it going, so I think that will be the key to ~~the~~ developing these things in any community that you want to contact, get the one live spirit that is really interested and start the word along and maybe get a group of farmers organized to improve conditions in a large enough number to make it worth while and then to control the hunting and trapping or what not from many of the angles in which they are interested, either protecting their own rights or getting money for it or what not.

Another question is "May we ~~we~~ have a list of the regions and man in charge including their headquarters?"

Q. We will be very glad to furnish those. I think the Bureau

has those lists mimeographed so we will try to supply that. I think it would be better to do it that way. I could name most of them for off you ~~on~~ hand. We have our research men scattered pretty well over the United States now who know lots of things about wild life and I will be glad to have them cooperate with the Extension Service folks at all times. I will try to see that you get a list of those regional men and their addresses so they can be contacted.

Q. What is a sound wild life program for an average American farm.

A. I think perhaps I have suggested that as far as I can go that it is largely an individual farm study, by watching the various corners, gully, marsh or slough or stream or what not and studying it from that angle and combining with it not only the upland game birds or waterfowl or upland fur bearers as the case may be, but probably both upland fur bearers and waterfowl. That is the point that I want to leave with you. There is no blanket plan that I know of that will cover the whole country. It is an individual study that must be adapted to the local situation. That is one ~~of the~~ things that I wanted to mention a while ago and forgot to mention it. One of the great needs is for those local studies to get information that is applicable to the local conditions so as that thing goes down you have a lot of hard headed people in your local community, your county agents who do those things to mighty good advantage and that is a sort of thing needed in the educational program also.

Q. Is there any reason for conserving bears?

A. I think so. Lots of good reasons. They are among the most popular game animal for the hunter and they generally do not have any bad habits to speak of. Of course, I am not talking about the grizzly bears now because they sometimes run amuck and raise the dickens but the little brown bear is a friendly fellow, ~~gear~~ generally playful and an interesting inhabitant of the woods and with all sorts of comical and interesting ways and an unusually popular game animal from the standpoint of the hunter. With the bears, as I see it, it is generally a matter of building up a reasonable population of bears in a country that is suited to them and watching out for the individual that ~~/~~ gets bad habits.

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If some of them get into the habit of killing pigs, that individual needs to be disposed of. The same is true of others. The grizzly bears, we are doing a great deal of thinking about them nowadays. There are probably places away up in the mountains where grizzlies can be kept as a part of our plan. Of course, we all know when a grizzly gets into bad habits he can be a terrifically destructive thing on a cattle ranch, making trouble for people and things of that sort so it is a combination problem there.

Q. What would you suggest to get rid of the starlings in Washington, D. C.?

A. That is a real problem and one I don't know the answer to, I am sure. The trouble is the starling has a little more brains than the men trying to control it. At least he knows how to take care of himself and to a remarkable degree. They have worlds of interesting habits; they have their own particular perch out on a ledge and stay there and fight off invaders. They hold their own and they are among the most puzzling things because we had Mr. Kalmbach, one of our keenest men on control methods here in Washington, trying to find out what we could do about it. He found they were too tricky to be sure. Among the puzzling things that happened to him once was this: There was a great congregation of starlings in front of the National Museum. They were roosting in the trees there and having a great good time. He was just about set on the method that he thought would be successful and literally over night they went over to the building and stayed over there. There was no change in the weather or anything else that the

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human eye could detect, but they just did it and they always pull something like that on us. We don't know what to do about it. The trouble is, too, that if you kill off those that are here, they will come in from the surrounding country. If you kill them out, others will come in and take their places. We had an interesting experience with them in an old church tower. We sent some of our men down and they banded several thousand of them and that was the only effective piece of control work on starlings. They left the place, wouldn't stand for that kind of indignity, so we are still working on the starlings and expect to for a long while.

Q. Have you found out where they went to?

A. No, we don't know except that they scattered over the country. Of course, we do have a lot of records on them as to where some of those were picked up, that is, those that were banded.

The next question, "What about humane measures for trapping; is the United States backward in developing legislation requiring humane trapping?"

A. The United States is interested in developing legislation for humane trapping. The trapper wants a practical way by which to get the animals he is after. There has been much more work done in this country probably than in any other to develop humane trapping and developing traps that will keep the animal from twisting his legs off or otherwise remaining in pain for a time until they are taken. There has been a lot of work done on that and a good many large traps that are developed in some practical manner so the animal can be caught still alive and unhurt and traps like those

Bailey traps that we call them for trapping beavers because of the good engineering work that the beavers do in places of that sort. It is one of the popular things in the forested areas. It is pretty hard to get any kind of legislation. There has been lots of talk about it but no one has made much headway because of the enforcement of so-called humane trapping methods. In other words, it is pretty well hinged on developing a trap that will do the best job. Mr. Bailey has done a world of interesting work in developing snare types of traps that will hold an animal absolutely inert until he can be taken or released as wanted. So I think the country is aggressive in that respect.

Q. Is there danger of overdoing game raising so they become pests?

A. There is always that possibility where they haven't kept the deer under control and where they allow them to increase in numbers to a point where they not only are pests to the farmers but eat themselves out of house and home and things of that sort. It is really a practical proposition and in addition a lot of people were schooled so long with the idea that game kept going up and up and sometimes get more out of bounds so far as numbers are concerned and that was the reason. We didn't wake up quick enough. The same thing happened up in Pennsylvania and it has been fun working with those people in trying to get compliance in holding down to the proper harvesting methods, the proper numbers and the excess of those they ship. In connection with that question, the elk at Yellowstone Park were mentioned. That is just another case in point where excess

population developed in the face of drought and where there was not effort made to properly reduce the numbers. They have made strenuous efforts in recent years to cut them down and in the country south of Yellowstone pretty good headway has been made.

Q. Another question, How about the doctrine of clean cultivation and wild life?

A. That is a real problem. Wild life must have food and one of the most valuable foods for quail and things of that sort the farmers have commonly recognized as weeds. We don't want to go too far in urging people to raise weeds but at the same time there are a good many places where those plants can be allowed to thrive and they will not be particularly troublesome. A botanist I knew used to describe a weed as a plant out of place. If a plant is in place, it is not a weed and if it is useful, it is not a weed, and there are all kinds of interpretations, but that is one of the real problems there, is to adjust the modern conception of weed cultivation and the proper placement of food plants.

Q. How about wild life and insect pest damage on crops?

A. I don't know just what angle was meant there. Possibly the effect of wild life in the control of insects, the repressive action, that has been stressed probably too strongly in some of the literature. The idea if it weren't for the birds we would be going to the bad because the insects would eat us out of house and home. The birds are a repressive influence. They hold them down by feeding on the surplus and perhaps keep them from coming up to those peaks,

but when it comes to control, it is just like it is with mice and things of that sort, you need a little human help sometimes to carry the birds down where it affords proper protection to the farm and farmers, so the work of the wild life needs to be supplemented by intelligent control on the part of the people.

Q. How far south is it feasible to produce foxes and mink for pelting purposes? Do these enterprises lend themselves to 4-H Club activities?

A. I think probably I have answered most of that, with the exception of the deep south here. It is along about in here where the mink and fox production would pretty well stop. It could go into mountain areas and be carried farther south, where the production would stop so that of course muskrat production and from those animals of that kind goes down away into Louisiana and that country.

Q. In planning for feeding desirable wild life, how should the farmer prevent undesirable wild life, such as crows from consuming the food?

A. That is again a local and practical problem. We have worked with a pretty practical type of trap that seems to be pretty effective in controlling crows. They can be taken in large numbers and usually the destructive surpluses can be disposed of by trapping them. If that doesn't work, then as an extreme method we have methods that do the business, so under proper supervision crow population can be pretty well controlled and that would be my notion that if they are destroying things just trap them out and put them out of business.

Another thing that is of interest, some of you may know the trouble they have in Oklahome with crows. We have done a lot of work there. They congregated may be fifty or sixty thousand in one place, they come late in the evening and roost all night and return to the feeding ground the next day, going out 15 or 20 miles or more to feed. Following the actions of those birds, our men found, suppose we start with this black spot as a crow roost, they go out here and the birds that settle on this farm and feed are the same birds that go out there day after day and day after day so if the farmer gets rid of those birds that are troubling him, he is pretty well protected for the rest of the year. It is more of a local proposition than we realize. Part of the trouble down there is due to the fact that they don't get their sorghum and Kaffir corn harvested early enough, not until after the crows have congregated for the winter and they are more hungry. There are a lot of angles to that problem.

Q. Please explain the Williamson (Michigan) plan for hunters?

A. I think I have already covered that. If anyone is interested in the details of it, I will talk it over with him. It is simply a matter of farmers' organizing and getting together and issuing permits for hunting. I think up there they do not charge, but in Wood County, Ohio, they do have a charge.

Q. What disposition is made of the meat from foxes raised for market pelts, also the mink? Is it anywhere canned for dog food in cities?

A. I don't believe so. I would have to look it up but I

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don't believe those carcasses are used other than for fertilizer at times.

Q. Please name some of the shrubs and small trees which will attract birds and furnish food and shelter?

A. I don't believe I had better take time to do that. We have publications that give the whole series. If any one is interested I will ^{get} ~~send~~ you our bulletin on it if you will let us know.

Q. In the trapping of muskrats which is the most humane way of killing the muskrats caught?

A. With muskrats I think the usual practice is a quick blow on the head. That is probably as humane as anything because it is practically instantaneous. In the case of killing a fox they use various methods of carbon disulphide and the injection of strychnine. It is practically instantaneous and painless also.

Q. Does wild life have cycles due to weather, disease, et cetera? If so, can anything be done about it?

A. They do have, certain species have cycles, the rough grouse the snow shoe rabbit and a number of different species do have those cyclick occurrences. Whether it is due to disease or something else we do not know. We have been working on it for a great many years now and disease is one factor. However, in the case of the snow shoe rabbit we have eliminated a number of things. We thought at one time it was what is known as the rabbit fever and we thought probably there was coordination between the disappearance of the rabbits and grouse that that would be the same disease because there are ticks that go

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from one to the other that we have done a lot of work on that and just recently Dr. Green, who is our cooperator in Minnesota has found what he called chalk disease and he thinks that is the secret of the disappearance of the snowfoots. Of course, the sugar in the blood goes down to a certain point and the rabbit jumps up and goes down just like that. It is probable that this thing is going to prove to be one of the very interesting things. I was very much interested in reading a report this morning that they have found uremia up in Alaska so disease is probably a factor and there are cycles. There are cycles in some species.

Q. What percent of the fur used in the United States is produced here?

A. I don't know just what the percentage is. In the case of rabbit fur, which is probably half the fur supply in the country, a very large part of that is imported. In the case of the silver fox we produce most of it and the minks and things of that sort/^{come in}from Japan and Russia.

Q. Does a resident of the D.C. have to pay non-resident hunting and fishing fees or are there courtesy agreements with some states which waive these requirements?

A. That is usually a matter of arrangement between yourself and the game commissioner or something of that sort. I think that is a game provision so far as I know although I am not an authority on that.

Q. If silver fox production rises and falls according to

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whims of the ladies, what is the outlook for this industry for the next few years?

A. That is a very pertinent question, all right, which men who are in the ~~position~~ business however, figure that by a proper system of advertising and by developing new styles and new fashions and things of that sort there is nothing to worry about. It is a very steady business.

Q. Do fur farmers market meat as well as pelts to be used for dog food, et cetera?

A. I have covered that question as far as I know anything about it.

Q. Can the farmer improve streams flowing through his land for trout , et cetera? Can he get help in stocking his lakes with fish?

A. That would be taken up with the Bureau of Fisheries of the Department of Commerce. We have nothing to do with fishing although one or two projects are underway at the Experiment Stations but that is mainly a matter for the Bureau of Fisheries through the State Game Commissioner.

FAMILY LIFE AS A FUNDAMENTAL FACTOR
IN EFFECTIVE FARM LIVING.

By Carl C. Taylor, In Charge
Div. Farm Population & Rural Life.
BU. Agri. Econ.

Collected

United States Department of Agriculture
Extension Service
Division of Cooperative Extension

as manuscript

271

FAMILY LIFE AS A FUNDAMENTAL FACTOR IN EFFECTIVE FARM LIVING*

By Carl C. Taylor, In Charge
Division of Farm Population and Rural Life
Bureau of Agricultural Economics

It is my conviction that practically all extension workers believe in the fundamental values of family life; that they would rather see farm people conserve and develop these values than see them cater to some of the other things which they probably in fact believe are destroying the fundamental integrity and value of rural life. It is when they come to the issue of the methods of conserving and promoting these values that they become foggy, helpless, or sometimes fallacious in their viewpoints. They arrive at short cuts and easy conclusions, most often to the effect that these values can be guaranteed and these attainments accomplished by solving the problems of production and economic income. Let me not only admit, but stoutly assert that the farmers' economic problems must be solved, but let me, as a sociologist, also tell you that the fundamental values in family life are not primarily economic. They are psychological, cultural, and spiritual values which cannot be measured in the same terms as economic values. The processes by which they are gained are psychological and sociological processes, and if we would nurture these processes and thus help farm people to gain these values, we must understand both the processes and the values. Extension workers will but be doing the thing which they themselves want to do, if they will turn their hands and minds to the task of becoming as deeply conscious and as broadly intelligent concerning these things as they now are in relation to technical production and the economic problems of agriculture.

Let me make one further point by way of introduction, viz, that in discussing the topic, "Viewpoint Toward Family Life," my contribution must be made not as an individual, but as a sociologist. What I mean is that a dozen or 100 different individuals might express a dozen or 100 different viewpoints on family life, but that a sociologist should be able to express a viewpoint which is objective or, so to speak, scientific. On a trip into the Dust Bowl a little over a year ago, I suppose I heard 25 different theories expressed by laymen concerning the causes, effects, and remedies of wind erosion. The diversity of viewpoints and the falsity of most viewpoints do not deny the fact that soil-erosion experts are able to lay down trustworthy, fundamental generalizations concerning the Dust Bowl situation.

* Address before the staff of the Extension Service, Washington, D. C.,
December 17, 1937.

That is exactly what the sociologist is able to do in relation to family life, even though in doing so he explodes some fallacies of the layman's mind and presents a description or characterization of processes and values which may lie outside the experience of the person who is not an expert in the analysis of human relations and social institutions. If, therefore, what I attempt to do in the early part of this talk is to give an ABC lesson in the sociology of the family, I do it because I recognize that most of my listeners have not had training and probably do not have understanding in this field.

I want to go further in expressing my conviction concerning the necessity of this first step in my talk by saying that it is impossible to become practical concerning the influencing of family life and the family as a social institution if a concrete knowledge is not had of what these processes are and what this institution is. What you want to get out of this conference is information and understanding which you can utilize in your practical day by day extension activities. If you do not even visualize the mark at which you are shooting, your aim cannot be very true, and your score will probably be very bad. About the only chance you would have of being even slightly effective would be to shoot with a blunderbuss in a general direction, hoping that some one of your shots might hit the bull's-eye. This type of behavior would be exceedingly ineffectual, and while the task is difficult, I am accepting the challenge of it in an attempt, first, to give you a pretty clear picture of the target at which you are shooting, or the objective you are trying to gain; second, to describe and explain the difficulties, or at least the conditioning factors that are operating in the situation which you are attempting to influence; and third, to give some concrete illustrations or examples of failures in family life because of the existence of the difficulties and obstacles which I have described.

The family is one of the primary forms of human association, and family life is the nursery of human personality. Because the family lives and works by personal relationships, it has a greater influence on the personalities of its members than all other human associations combined. In the family, from the moment of birth, all during infancy and childhood, and to a considerable extent until the boy or girl marries or leaves home, the individual gives his whole self to the group, whereas in all other sorts of association contractual arrangements, formal social controls and disciplines, highly rationalized plans and programs, and catalogued learning constitute the group techniques and technologies.

It is in the family that the individual learns the primary values, habits, and attitudes by which he measures his own and other persons' actions and attainments in every type of situation all through life. Primary group attitudes or ideals, such as loyalty, truth, service, kindness, lawfulness, and even freedom, are developed primarily in the family, on the playground, or in neighborhood life. The ideals which dominate most of our other associations are those of personal ascendancy, competitive gain, riches, conspicuous and vicarious consumption, and social prestige.

A knowledge of the sociology of family life and the chief contribution of sociology or social psychology to the understanding of the family is in the field of personality building. It is while the child is in the home that he develops

the mainsprings of his intelligence, gets his primary physical habits, develops his temperament, and gets his chief modes of self-expression determined. It is in the family that he first develops problem-solving ability, constructive imagination, and sound judgment. It is here that he develops his habits of impulsiveness or control, that he develops emotional breadth or habits of emotional change, that he gets insight into his own and other people's personalities, learns the art of participating in the lives of other people, and develops character. There is no mystery about the factors and processes by which family life performs its subtle process of personality building, although overwrought theories of physical and mental inheritance have clouded the processes with a lot of hard answers to comparatively easy questions.

There are three primary sets of human relationships in the family: Parent to parent, parent to child, child to child. All these are reciprocal and interacting. In addition to these three primary relationships, two other factors are the operation of the family as a work and social unit and the relationship of its various members to the outside world. Every one of these relationships is just as concrete a living, functioning process as is the growth of a stock of cotton, corn, or wheat. If, therefore, we would influence personality, develop sound valuations on life work, and foster wider human relationships of all kinds, we must understand these internal family relationships and seek to influence them.

The farm family has a unique role to play in national life. It now does, and apparently in the future will continue to, rear more than its share of the Nation's children. And this is well, for it has been less disrupted by outside influences in its primary function than the town and city family, and therefore still performs the full and complete function of a family.

But there are some things which have developed as normal parts of modern agriculture which tend to handicap the farm family in performing well its primary function in society. Appraised in one way, these things may be described as other objectives or values by which many modern farmers measure success and failure in agriculture.

One of these modern objectives is that of making money, in order to be able to buy goods and services which the farm family cannot produce itself. Another is the objective of owning a commercial-sized farm. Another is the tendency to measure personal and social status by urban standards of consumption and behavior.

Every one of these criteria of success, measures of value, or objects of striving is natural, almost inevitable, in modern American agriculture, but no one of them guarantees or even nurtures the primary values which come out of sound, wholesome family relations and living.

If a farm-family member or an extension worker wants to be highly practical about these inevitable clashes in values, he will ask himself such questions as the following: Does the adding of one more dairy cow, 50 more hens, or 20 acres more of crops under cultivation introduce a strain on internal family relations -- relations between husband and wife, between parents and children,

between brothers and sisters? Does the attempt to pay for an additional 40 acres of land demand so much physical drive and mental worry as to sow confusion if not conflict in the whole gamut of relations in the family circle? Does the attempt to maintain typical urban material standards of living, even to give the children a college education, sacrifice day in and day out the personality values which develop only out of the subtle relationships afforded by the wholehearted pleasure of a steady and cooperative family circle?

The primary task of the person who seeks to be helpful in guaranteeing to farm people successful living in a modern commercialized and urbanized society, is to understand and be able to teach farm families how to preserve and nurture the primary values of family living while obtaining these other more obvious material things. This means a twofold program, one part of which is assisting farm families to obtain and inculcate in their daily living things which some other homes have had, but of which farm homes have been to some extent deprived; the other part of which is the conserving, nurturing, and developing in the family those processes and attainments which inhere in family relationships themselves.

Some of these things from the so-called outside world will have to be purchased, but some of them can be developed within the family itself. In order to have the things which must be purchased, the farmer must make net cash income or dividends out of the enterprise of farming. But far more of these things than is generally imagined can be home produced, the production of them depending on nothing but learning how to produce them. There is, for instance, almost no limit to the internal physical improvement of the house which can be accomplished by simply being apt with the hammer and the saw. Even the externals of the house are often subject to improvement in the same way.

A great number of things can be added to the home, both physically and socially, by the cooperative effort of the members of the family. And since the standard of living is to be measured by the quantity and quality of consumption goods and services -- food, clothing, shelter, health, education, religion, recreation, and human association -- it requires but little imagination to envision the great improvement that could be made by the average farm family if it would just turn its hands and minds to becoming highly intelligent about, and diligent in the attainment of, these things by learning how to get them. By way of illustration, let me mention only two of these things -- health and recreation. The attainment of a high level of healthful living can largely be accomplished by simply learning the rules and the laws of healthful living. There are, of course, some outstanding focal points of attack, as for instance, the prenatal, natal, and post-natal health of the mother and child; correct diet and food habits; and the physical and psychological effects of fatigue.

Recreation consists of play, amusement, music, sedentary games, and everything else that tends to lift the individual physically and spiritually above the routines of life. The opportunities for developing these things within the family circle are unbounded once the appreciation of their value and significance is known.

The problem of guaranteeing to, or developing within, the family what I have called primary group values, namely loyalty, love, sympathy, friendliness, and tolerance, is more difficult in some ways, but in other ways is easier and more natural to attain. It is more difficult simply because neither the members of the farm family nor those who seek to help them are aware of the processes by which these things are developed, and are only dimly aware of their fundamental value. But it is easier and more natural to attain them than to attain many physical things because all that is necessary is to remove the obstacles to their easy and sure functioning. Parents naturally love their children, children naturally love their parents, and brothers and sisters naturally love each other. They will therefore cooperate in the attainment of these primary values unless thwarted in doing so by things which enter from outside the family circle.

These thwarting or obstructing things come from two sources: One is the impact of stimuli from outside the family circle which tend to destroy the family circle itself, and while it is impossible and undesirable to eliminate all these outside influences, they will be relatively less powerful if the family itself is highly successful and finds more zest in the process of family life.

The second obstructing stimulus comes from within the family circle itself in terms of drives for values other than these primary ones. The three I named above are probably the most important, namely the striving for higher current monetary income, the striving for the ownership of more land, and the striving for social status measured by standards of consumption of goods and services which prevail in the typical urban environment.

Do not imagine because some of these things are not well understood that they are not really important and practical things; do not let yourselves believe because they cannot all be measured in terms of material or monetary standards that they are not valuable; do not deny your knowledge of farm families or your own convictions that these things are worth striving for; and rest assured that they are, one after the other, things that can and will be attained in just the measure that we give time and attention to them.

In the Extension Service of the United States Department of Agriculture, and in every State in the Union, the accomplishment of these things requires three specific types of organization and emphasis. First, it requires a greater amount of home demonstration work and an emphasis and knowledge on the part of home demonstration workers of the values, processes, and techniques related to these things. Second, it requires on every State extension staff in the United States a rural sociologist, who will assist in teaching the values and processes by which individuals and families attain these things, and who will assist in community and other organizational work which will create the machinery by which farm families can trade experiences in these fields in the same way that they now are trading experiences in the fields of crop improvement, soil erosion, and crop control. Third, it requires a knowledge on the part of all extension personnel of the reality of these problems and the practicability of working upon them. The county agent can scarcely be expected to be an expert in family organization and life. What he does need to do is to be highly aware of the vital function which the home economist and rural sociologist are performing while working in this field.

Unless the things which I have named are done, what I have said here will turn out to be mere preaching, and all that you will do about these things will turn out to be mere theorizing and speculating about them without anything constructive happening in the field of rural family life because of your assistance or activities.

C. C. Taylor
as delivered

EXTENSION STAFF CONFERENCE
ROOM 1039, SOUTH BUILDING,
DECEMBER 15, 1937
9:30 a.m.

REUBEN BRIGHAM, presiding.

THE PRESIDING OFFICER: We will try to start the program promptly this morning because we want to have plenty of time for discussion of the subjects presented. The second general topic of our conference this week following that of yesterday on income and buying power is the conservation of our agricultural resources, and you probably noted we are going into certain aspects of our agricultural resources that we hope will give us some new objectives in this field to consider and to discuss. It has been found necessary, however, to make an adjustment in the program of today and tomorrow and instead of having Dr. Baker speak on human resources the first thing this morning, we are asking Dr. Taylor of the Bureau of Agricultural Economics to take up the first topic for tomorrow morning, "The Viewpoint Toward Family Life." I am sorry that we are obliged to make the adjustment from the standpoint of continuity but if you will make your notes on Dr. Taylor's talk so that we can take it up in building up that program, I hope you will do so.

It is a great pleasure to have Dr. Taylor here to take up this subject, "The Viewpoint Toward Family Life." Dr. Taylor.

DR. TAYLOR: This is not a complete manuscript that I hold in my hand here. It has a statement that is written out like a manuscript form for the first page or two and then I follow an outline, but I have written my outline in so incomplete sentences and I suspect, outside of

interlineation or extemporization which I put in from time to time , I shall read it about as a manuscript, and as I read it over last night I am inclined to think that I may read the first sentence or two a couple of times because I am very anxious that you get the approach that I am making to this problem.

It is my conviction that practically all Extension workers believe in the fundamental values of family life; that they would rather see farm people conserve and develop these values than see them cater to some of the other things which they probably in fact believe are destroying the fundamental integrity and value of rural life. It is when they come to the issue of the methods of conserving and promoting these values that they become foggy, helpless, or sometimes fallacious in their viewpoints.

Now, because that might sound to be critical, but because it is a necessary approach to this very difficult problem that has been set to me, I would like to read it again, not read it, but repeat it. What I have said is that I think we can get on common ground here, I think we start on common ground, if some words I use don't put us off that common ground, that if you were to go around this circle or any other group of Extension workers, I don't believe you would find any group, not even farm people themselves, who would fight harder for these inherent values in family life than you people would. And you probably, without ever having analyzed it out because that has not been your particular field of science, would fight for these values, and there would probably be no group in the United States who would be more thoroughly prejudiced - I use that word "prejudiced" participat-

ing in that viewpoint myself, against the things which tend to destroy family life. Now, if that is true, why, we are on common ground to begin with, but the second thing I have said is this, believing in these qualities which inhere right in the family life itself, it is when you - and you are not different from practically all people - it is when you come to wrestle with how now to nurture those things, how to engender them, how to promote them, how to preserve them, that you become foggy, and you probably - and the second word I used, you probably become helpless and say, "Well, I don't know what in the dickens to do with it." Then I use another term, they have probably become fallacious. I think what I am saying there is something which the people who work in this very nebulous field of sociology are all the time conscious of, and remember that a nebulous is not a chaos, a nebulous is not a world going to pieces, a nebulous is a world in the making. But in this nebulous field you are dealing with things that you can never put down and count one, two, three, can't weigh them out in terms of ounces or pounds and measure them out in terms of feet or yards or rods. It is doggone hard to get ahold of and wrestle with these things. The second thing, everybody knows more about the facts with which the sociologist deals than he does any other body of facts in the world. We know more about ourselves, more about our own families, more about our own neighbors than we do about soil conservation or any other element in the soil or anything else we know. That makes it doubly hard because you can walk out on the street any place today and find people, just because they know so much about family life, drawing all sorts of cock-eyed generalizations

about it. It is so much a part of what we are, it is so interesting, yet it is so diverse that everybody tries to draw some generalization to make sense out of what is otherwise a riddle, so you just have everybody drawing generalizations about social and individual life. That makes it doubly hard for the sociologist because, if he is able to do anything, his task is to look at this diverse life and draw sound generalizations about it, and he has got a tough job, and not the least among the tough things he has got to do is to correct simple fallacies that other people get, where the street corner philosopher says human nature is just this or that. I have said something that is very real, that county agents or home agents are wrestling for these things, fighting for something they are convinced of, yet can't get a hand on. They arrive at short-cuts and easy conclusions, most often to the effect that these values can be guaranteed and these attainments accomplished by solving the problems of production and economic income. Let me not only admit, but stoutly assert that the farmers' economic problems must be solved, but let me, as a sociologist, also tell you that the fundamental values in family life are not primarily economic. They are psychological, cultural, and spiritual values which cannot be measured in the same terms as economic values. The processes by which they are gained are psychological and sociological processes, and if we would nurture these processes and thus help farm people to gain these values, we must understand both the processes and the values. Extension workers will but be doing the thing which they themselves want to do, if they will turn their hands and minds to the task of becoming as deeply conscious and as broadly intelligent concerning these things

as they now are in relation to technical production and the economic problems of agriculture.

In other words, they must not throw away what they know about production, but in order to do the things that they, themselves, must do, they must become intelligent about these things.

Let me make one further point by way of introduction, viz, that in discussing the topic, "Viewpoint Toward Family Life," my contribution must be made not as an individual, but as a sociologist. What I mean is that a dozen or 100 different individuals might express a dozen or 100 different viewpoints on family life, but that a sociologist should be able to express a viewpoint which is objective or, so to speak, scientific. On a trip into the Dust Bowl a little over a year ago, I suppose I heard 25 different theories expressed by laymen concerning the causes, effects, and remedies of wind erosion. The diversity of viewpoints and the falsity of most viewpoints do not deny the fact that soil erosion experts are able to lay down trustworthy, fundamental generalizations concerning the Dust Bowl situation.

That is exactly what the sociologist is able to do in relation to family life, even though in doing so he explodes some fallacies of the layman's mind and presents a description or characterization of processes and values which may lay outside of the experience of the person who is not an expert in the analysis of human relations and social institutions. If, therefore, what I attempt to do in the early part of this talk is to give an ABC lesson in the sociology of the family, I do it because I recognize that most of my listeners have not had training and probably do not have understanding in this field.

I want to go further in expressing my conviction concerning the necessity of this first step in my talk by saying that it is impossible to become practical and that is everything. Above everything else a person wants to do, he wants something practical, something he can do something about. I may say it is impossible to become practical concerning the influencing of family life and the family as a social institution if a concrete knowledge is not had of what these processes are and what this institution is. What you want to get out of this conference, this part of the program is information and understanding which you can utilize in your practical day by day extension activities. If you do not even visualize the mark at which you are shooting, your aim is not likely to be very true, and your score will probably be very bad. About the only change you would have of being even slightly effective would be to shoot with a blunderbuss in a general direction hoping that some one of your shots might hit the bull's eye. This type of behavior would be exceeding ineffectual, and while the task is difficult, I am accepting the challenge of it in an attempt: first, to give you a pretty clear picture of the target at which you are shooting, or the objective you are trying to gain, second, to describe and explain the difficulties, or at least the conditioning factors, which are operating in the situation which you are attempting to influence; and third, to give some concrete illustrations or examples of failures in family life, because of the existence of the difficulties and obstacles which I have described.

If these sound like vague words, then I want to testify that they are not a bit vaguer than some of you people who understand

chemistry, if you would go up and put some chemical formulae on the board, it would just knock me down because I don't understand chemistry. If, for instance, when I say that the family is the primary form of human association, you do not know what I mean, it is up to me, if I do understand something concrete, it is up to me to give you some understanding. You hear those terms all your life. If I say the family is the nursery of human personality, you would say, "Oh, everybody is talking about personality." I would like to have you note that the psychologist and the sociologist is not just talking about everything, they are talking about something concrete which they think they understand not in its entirety but in part, because the family lives and works by personal relationships - that is very true, no question about that. That is the way we live normal family lives, not by constitutions and by-laws and charters, just a living fact that we live by personal relations, because that is true. It has a greater influence on the personality of its members than all other human relationships combined. Now, that has been tested. No such sure tests as you would have in the measuring of the constituents of a fertilizer, but it has been tested by attitude tests, by reacting tests of all kinds attempting to get at the roots of this thing and for many years has been wrestled with. I think that is as near an accurate statement as the sociologist can make. What happens in the family has more to do with what I am today, what you are today, what our children will be tomorrow than all other influences that play on them combined. There will be exceptions. Some other influence will be like a typhoon in that person's life and completely destroy that generalization.

In the family, from the moment of birth, all during infancy and childhood, and to a considerable extent until the boy or girl marries or leaves home, the individual gives his whole self to the group. It does not mean he does not do anything else, but it means he hasn't yet gotten to be a chemist, a sociologist, or his vests are pulled by something else. They are living within the family circle.

In all other sorts of association contractual arrangements, formal social controls and disciplines, highly rationalized plans and programs, and catalogued learning where you have to go through the first or second reader, that is what you have to do when you go outside the family, but in the family life it is not that sort of a thing. It is an unincorporated, wholehearted, personal, mutual affair. It is in the family that the individual learns the primary values. If I were to explain why a certain thing makes me mad today, it might be one of a thousand things, I assure you, but if there is one thing that doesn't square with what I think is right in the world, any psychoanalyst analyzing me would carry it right back to the family and find out where I got that value, whether it came out of table talk, out of attitudes my father or mother took which put that into me. If I want to understand what I am, I have got to go back to not only the values but the habits, and attitudes by which he measures his own and other persons' actions and attainments in every type of situation all through life, in every type of situation which he finds himself as long as he lives. Primary group attitudes or ideals, such as loyalty, truth, & - I am not talking about truth written on

a page now, I am talking about what to me is true in the world and what is false. Primary group attitudes or ideals, such as loyalty, truth, service, kindness, lawfulness, and even freedom, are developed primarily in the family, and, if not in the family, then on the playground, which is the same sort of a mutual affair, or in the local neighborhood where your relationships are yet personal. Now, of course, we spent many hours in analyzing those things out and telling what we mean by loyalty because those are phrases that are bandied about a lot. It is always hard to take a popular phrase and make it technical. The ideals which dominate most of our other associations I have named. It is what Dr. Cully of Michigan called primary ideals. I have listed them. The ideals which dominate most of our other associations are those of personal ascendancy, isn't that true? Outside of my family life, I am fighting for status and so are you. I am not fighting for status in my family life. I don't come down and try to make myself bigger than everybody else in my family life, but outside I must, if I am going to live in this world, fight for ascendancy. Competitive gain, riches, numerous other things, conspicuous and vicarious consumption, because I prove who I am by what clothes I wear and what automobile I buy and so on, and social prestige.

A. knowledge of the sociology of family life and the chief contribution of sociology or social psychology to the understanding of the family is in the field of personality building. Therefore, I want to probably almost repeat something. It is while the child is in the home that he develops the main springs of his intelligence, all

intelligence testers notwithstanding, gets his primary physical habits, develops his temperament, and gets his chief modes of self-expression determined. That is where he gets those things, that is what personality is made up of. It is in the family that he first develops problem-solving ability, which is the very essence of intelligence, constructive imagination and sound judgment. It is here that he develops his habits of impulsiveness or control, that he develops emotional breadth or habits of emotional change, that he gets insight into his own and other people's personalities, learns the art of participating in the lives of other people, and develops character.

There is no mystery about the factors and processes by which family life performs its subtle process of personality building, although overwrought theories of physical and mental inheritance have ~~in~~ clouded the processes with a lot of hard answers to comparatively easy questions. What I am saying there is that the statement that, "Well, he is a chip off the old block," or "Some people are born that way," that is not true; that all the knowledge that we have about biology, psychology, and sociology, the outstanding generalization which you can draw is concerning the likenesses and similarities of people and not their differences, for we are far more alike than different, the only hypothesis upon which you can start is that, barring imbeciles and idiots, we start about even in this world. If we want to explain what the differences are, you will find them in the process of family life and it is hard to answer this and to fairly easy to observe. To jump out like Madison Grant does and a good many other people and

write about how inheritance tells the whole story, that is what I mean when I say that some overwrought theories have given difficult answers to easy problems. There are three primary sets of human relationships in the family. The first is parent to parent. That is a real living thing every day of our lives. It is not something hanging out in the ~~air~~ air, it is just as real as the horse in the barn or the stalk of corn in the field. The second is parent to child, and the third is child to child. In other words, if you put a specimen under the microscope, you commence to look for breaking down. As _____ said some years ago, the first step in science was isolation. You have got to isolate out the factors, analyze them one by one. He also said the last step was integration. What I have done is break down this family relationship into three components: Parent to parent, parent to child, and child to child. All of these are reciprocal and interacting. In addition to these three primary relationships, two other factors are the operation of the family as a work and social unit, that is, it goes out and works together, and the relationship of its various members to the outside world. That is, you won't get a complete understanding of what this family is doing day by day if you just think of the parent to parent relationship, because the units are also going out to the fields to work and running a house and so on, and it is not outside of it, but these three sets of relationships are used in the family, and there is another factor, the outside world coming in over the radio, telephone, and market, and numerous ways, and that is thrown into the mill of personality

making, and family processes. Every one of these relationships is just as concrete a living, functioning process as is the growth of a stock of cotton, corn, or wheat. If we don't utilize them, if we don't understand them, if we don't recognize them as living facts, that is not their fault, that is ours. If we would influence personality, develop sound valuations on life work, and foster wider human relationships of all kinds, we must understand these internal family relationships and seek to influence them. If the technique by which we live day in and day out in our family, even in our families when they are not as perfect as they should be, would be applied to national relationships, the world would not be anywhere near in the chaos that it is in now. If I were wont to philosophize, and you can't escape it, I would say that the solution to the world's problems wherever you find them, whether in the market place, interracial relations, international relations, would be to learn to apply the pattern of behavior and the type of human relationships by which we live daily in our family to these other problems. Now, that is how real they are. They work in the family. The farm family has a unique role to play in national life. It now does, and apparently in the future will continue to, rear more than its share of the Nation's children. I am sure Dr. Baker will lay those facts before you tomorrow morning. That is the first thing that makes it unique. Second, it has been less disrupted by outside influences in its primary function than the town and city family.

Now, there are some things which have developed as normal parts of modern agriculture which tend to handicap the farm family in

performing well its primary function in society. Appraised in one way, these things may be described as other objectives or values by which many modern farmers measure success and failure in agriculture. One of these, and I am not saying you can eliminate them, but I am saying they have come in. They were not in simple societies. That have developed with our modern agriculture and I am for them, but nevertheless we see what they are doing to family life. One of these modern objectives is that of making moneyⁱⁿ order to be able to buy goods and services which the farm family cannot produce themselves and, of course, we want them to do that. Nevertheless, when you introduce the things which in primitive society, in simple peasant and the old fashioned farm family, out in the prairie where I was born and reared and where the market does not play the part it does now, you have got two objectives and you have to divide time and attention between them. Now, another is the objective of owning a commercial sized farm. That is an objective you have got to have if you live in modern agriculture, a farm of the right sized unit, and you would like to own it so you can live economically in the world. Another is the tendency to measure personal and social status by Urban standards of consumption and behavior. Now, I have named three things that are just part of our every day farm life today. Then I put this note in: Every one of these criterianof success, making money, that is a criteria of success, being able to own a farm, that is a criteria of success, more or less unconsciously, but yet universally the question of being able to live up to certain standards is the way we measure our success. Every one of these criteria of success, measures of value, or objects

of striving is natural, almost inevitable in modern American agriculture, but no one of them guarantees or even nurtures the primary values which we have seen come ~~and~~ out of sound, wholesome family relations and living. The point I am making is this is another area of attack. Solve those problems but don't imagine by solving those problems that you solve ^{the} things that the family has to contribute because, as a matter of fact, they sow a little disruption in the family.

If a farm family member or an extension worker wants to be highly practical about these inevitable clashes in values, he will ask himself such questions as the following:

I think they are inevitable just like all values where you measure life by different standards. It comes out to the question: How much shall I cater to this particular value or how much to that? Now, if the farm family member wants to be highly technical about these things and the extension worker does, he will ask himself such questions as these, and these will become practical issues right down on the farm. Does the adding of one more dairy cow, 50 more hens, 20 acres more of crops under cultivation, those are all natural things to do. You want to get along, and you size it up by another set of criteria, not measuring by what happened in the family, you are measuring by one of the other criteria, and you must, but when you put this set of criteria in there also, then you ask yourselves this question: Now, if I add another dairy cow which has to be taken care of and fed, ~~or~~ 20 more hens, or put 20 more acres into crop, and of course, I can make more, 20 more acres on a cotton farm would sink them and

20 more acres in wheat wouldn't make any difference. What will those things do by way of introducing a strain on the internal family relationships, what will it do to the relationships between the husband and wife, what will it do to the relationship between the parents and children, between the brothers and the sisters? Now, don't get off base. It does something to them every time. All I am saying is that if you want the complete picture where all of these factors are in, you will find what has happened to the family circle and what it can do by contributing those values and putting it in the mill also and makes the farm family highly conscious of the issue at stake. Now, maybe the adding of 20 more acres may introduce a drive or a burden upon the family which will sully what was otherwise a pretty smooth going but this was the straw that broke the camel's back, and that everybody was worried and under pressure.

Second, does the attempt to pay for an additional 40 acres of land - I came from the Middle West and I know what a real thing that was always - demand so much physical drive and mental worry as to sow confusion if not conflict into the whole ^{of} gamut/relationships in the family circle? Now, if you think that the county agent never has an opportunity to advise about things of that kind, x I don't agree with you because I have had farm families bring those problems to my attention and in just as specific terms as that: "I can get those 80 acres, -" you know how it is in the Middle West, you can always get 80 acres or 160 - "I can get those 80 acres for so much. I can swing it. Now, what do you think about it?" They will ask me or the county agent or home agent that question, "What do you think about it?"

Well, the opportunity is presented to me just exactly as it is presented to you, and I can recall the first, last, and middle names of some of these people and tell you what they did about it, and I think I had some influence in what they did about it sometimes.

Third, does the attempt to maintain typical Urban material standards of living, even the attempt to give the children a college education, worthwhile things to do, the farmer has a right to wear neckties, go to picture shows, have electric lights, educate his children, but I am saying does the attempt to do these things sacrifice day in and day out the personality values which develop only out of the subtle relationships afforded by the wholehearted pleasure of a steady and cooperative family circle? I can tell you and you can tell me of examples of the worthwhile thing of educating a child which has destroyed all the rest of them. I am saying make the family conscious of all the factors involved, and you cannot do it if you don't recognize these factors.

The primary task of the person who seeks to be helpful in guaranteeing to farm people successful living in a modern commercialized and urbanized society, is to understand and be able to teach farm families how to preserve and nurture the primary values of family living while obtaining these other more obvious material things.

I don't believe, a great many people do believe it is a question of either or, you can't do them both, but I am saying the primary task is to help them get them together. This means a two-fold program, one part of which is assisting farm families to obtain and inculcate in their daily living things which some other homes have had, but of

which farm homes have been to some extent deprived. I say how can we get into the farm family and into the lives of rural people those things which do come from the outside world? The other part is the conserving, nurturing, and developing in the family those processes and attainments which inhere in family relationships themselves. Some of these things from the so-called outside world will have to be purchased, can't be gotten any other way except by purchasing, if they have the money to buy them. Some of them can be developed within the family itself. In order to have the things which must be purchased, the farmer must make net cash income or dividends out of the enterprise of farming but far more of these things than is generally imagined can be home-produced, the production of them depending on nothing but learning how to produce them. There is almost no limit to the internal physical improvement of the house which can be accomplished by simply being apt with the hammer and the saw. Even the externals of the house are often subject to the same process.

A great number of things can be added to the home, both physically and socially, by the cooperative effort of the members of the family.

Since the standard of living, that is the thing by which you measure the success of each individual in family life, since the standard of living, this thing for which we all fight, both in quality and quantity of goods and services, is measured by the quantity and quality of consumption goods and services, namely, food, clothing, shelter, health, education, religion, recreation, and human association, that is the yardstick, that is what this type of living is,

since that is what we measure life by, it requires but little imagination to envision the great improvement that could be made by the average farm family if it would just turn its hands and minds to becoming highly intelligent about, and diligent in the attainment of, these things by learning how to get them. Mark, I don't say he can get all of them. He has to have some cash dividend. By way of illustrating, let me mention only two of these things, health and recreation. It is very easy to see how you can make a wood box or ~~h~~ put in a crude water system or build work benches with a hammer ~~ax~~ ^{and} saw, but some of these other things: The attainment of a high level of healthful living can be largely accomplished by simply learning the rules and the laws of healthful living. Now, that is just true. Outside of the grippe having hit me last winter, I haven't been off my feet for 17 years for three hours at a time, and it all came back to the time when I was knocked down so completely 17 years ago that I learned some things about how I have to live. An old Doctor who died when he was 99 years of age, president of the Medical Association who died 25 years ago, said the way to live long was to get a mild chronic disease early in life so you would quit violating all the rules of health. That is true, but not altogether. No one can control these bugs that fly around the atmosphere and kill robust people, but you can do a lot on this particular phase by learning how to live. There are, of course, some outstanding focal points of attack, as for instance, the pre-natal, natal, and post-natal health of the mother and child, a very definite focal attack; correct diet and food habits - that is probably the most universal one which is easy to attack,

and another one which we are liable not to recognize, the physical and psychological effects of fatigue, not merely upon the body but upon the mind and soul. You can do a lot about those things just by learning. All right, take recreation. Take the two hard ones, because the easy ones are where you can pick up a hammer and saw and do something, where you can grow flowers or make curtains. Recreation is largely a question of relaxation and release from what you are already doing. Recreation consists of play, amusement, music, all the cultural arts, sedentary games, as sitting down to play bridge, or jackstraws, and everything else that tends to lift the individual physically and spiritually above the routines of life. That is what I mean by recreation. The reason I went into that is because I have so often been misunderstood, when talking about recreation somebody thought I was talking about a baseball game, I am, but not that alone. The opportunities for developing these things within the family circle are unbounded once the appreciation of their value and significance is known, and of course the opportunities to develop in the local neighborhood are much greater.

The problem of guaranteeing to, or developing within, the family what I have called primary group values, namely loyalty, love, sympathy, friendliness, and tolerance, is more difficult in some ways, but in other ways is easier and more natural to attain than the adding of these consumption goods. See, I have said you can add a lot by way of clothing, food, and shelter, just by learning here and there to do those things. Now, I am saying the problem of guaranteeing these spiritual, psychological or personality values is much harder

in some ways, but yet much more natural. Why is it more difficult? It is more difficult simply because neither the members of the farm family nor those who seek to help them are aware of the processes by which these things are developed, and are only dimly aware of their fundamental value. It is easier and more natural to attain them because all that is necessary is to remove the obstacles to their easy and sure functioning. Parents naturally love their children, children naturally love their parents, and brothers and sisters naturally love each other. They will therefore cooperate in the attainment of these primary values unless thwarted in doing so by things which enter from outside of the family circle. That is, they will do these things just naturally. If you people want to call this sentimental, call it that, I don't give a hoop. I am talking about realities and I am saying that the primary values of life are sentimental. The primary values of life, I don't care whether the preachers prate about it or hard headed sociologists, it is true just the same that they are fundamental values, they are real values, and we fight on a thousand other battle lines to get these things. These thwarting or obstructing things which come in and tend to knock come primarily from two sources. One is the impact of stimuli from outside of the family circle which tend to destroy the family circle itself. It is impossible and undesirable to eliminate all these outside influences. You can't escape from the world. They will be relatively less powerful, however, if the family itself is highly successful and finds more zest in the process of family life. That is, if the family

circle itself is really doing ~~xxx~~ this job well, the outside attractions don't grab you so easily.

The second obstructing stimulus comes from within the family circle itself in terms of drives for values other than these primary ones. That is, where the family, in order to live in those modern circumstances, is put on such pressure by what the boy, girl, or mother, or father does that the thing cracks up on the inside. The three I named above are probably the most important, namely the striving for higher current monetary income, the striving for the ownership of more land, and the striving for social status measured by standards of consumption of goods and services which prevail in the typical urban environment. Now, in conclusion, do not imagine/some of these things ^{because} ~~which~~ are not well understood that they are not really important and practical things; do not let yourselves believe because they cannot all be measured in terms of material or monetary standards that they are not valuable; do not deny your own convictions and your knowledge of farm families that they are worth striving for; and rest assured that they are, one after the other, things, that can and will be attained in just the measure that we give time and attention to them.

In the Extension Service of the United States Department of Agriculture, and in every State in the Union, the accomplishment of these things requires three specific types of organization and emphasis. First, it requires a greater amount of home demonstration work because, after all, we men will admit it is women who are going to be working mostly with these processes, and an emphasis and knowledge on the part of home demonstration workers of the values,

processes, and techniques related to these things. That is the first thing. It is a question of whether to put emphasis here or there. Second, it needs on every state extension staff in the United States a rural Sociologist--I can't help it if other people do not agree, I think somebody who spends all his time studying like I and my colleagues do up here these particular things, in order that the area of understanding may widen, need to put on every State extension staff in the United States a rural sociologist, who will assist in teaching the values and processes by which individuals and families attain these things, and who will assist in community and other organizational work which will create the machinery by which farm families can trade experiences in these fields in the same way that they are now trading experiences in the fields of crop improvement, soil erosion, and crop control, to help to organize, to help to enlighten. Third, it requires a knowledge on the part of all extension personnel of the reality of these problems and the practicability of working upon them. The county agent can scarcely be expected to be an expert in family organization and life. He must not be completely dumb either because he is probably a member of a family himself. What he does need to do is to be highly aware of the vital function which the home economist and rural sociologist are performing while working in this field. That is, we must have in the total extension force the same attitude toward the people who are working on these problems that one specialist has toward the other. I have traveled 15 or 20 years working with these different specialists, going out from colleges, and frankly I have the first

time yet - I may hear somebody criticize the dairy specialist if the other fellow is a swine specialist, but never yet have I heard him argue that the dairy specialist was not working on a fundamental problem of agriculture. They recognize the value of each other and in their wholehearted recognition they create an atmosphere which makes it easier for the other fellow to go along. I think that is the minimum you must expect from the specialist in the field. Those working on these problems really need the sympathy and help and, while the particular person who is observing may not be a specialist in the field himself, he can help if he will say "God be with you. I know you have got a job on your hands." Unless the things which I have named are done, what I have said here will turn out to be mere preaching, and all that you will do about these things will turn out to be mere theorizing and speculating about these matters without anything constructive happening in the field of rural family life because of your assistance or activities.

THE CHAIRMAN: We will take up any questions that have been written out. We have been following the practice, Dr. Taylor, of having the questions written out for the speaker to answer.

DR. TAYLOR: Well, with this batch I am sure that I better keep my eyes on that clock up there.

The first is: "Is the parent education specialist a rural sociologist?"

Not necessarily. That would get into a technical discussion, I am afraid. Not all rural sociologists would have been interested in parent education or even in the family circle. That is, some of

them are. We get specialized in certain fields. Also practically all sociologists would know this general arrangement we have been talking about, but sometimes a fellow would get more interested in the political phases than others. I wouldn't put it either way. I would go this far, if the parent education specialist can't get into functioning in rural life in any other way than by getting the title of rural sociologist, we will share the title to get them out there, if they can't get out there any other way. There again, thinking of it just the way the machinery works out there in the rural districts, and on the State Extension Staff and even in here, maybe it wouldn't be the highly specialized person specialized in parent education who would be on the staff. You have got to get a utility person who can do a lot of things, but if you could have a complete staff, a parent education specialist would be a fine person to have on the Washington staff and would be a fine person to have on the State staff as a specialist, and they know something too. The thing that has happened in the last ten years in parent education in the sense of the knowledge of how it works is pretty tremendous. I had the privilege of speaking before the National Parent Education Convention. I didn't feel like casting any aspersions on them. They are getting down to this thing, they are getting somewhere.

The next one, I think is the same question. It says: "What about the contribution of parent education and family relations specialist?"

I have said all I want to say about that.

"Which is the better extension approach to the problems of family life, direct or through the normal home projects with a family emphasis?"

Now, of course, you mean by the "normal home projects" something that is already said and the sort of thing you are doing. Well, I think maybe I get the import of that question. That is, suppose the home demonstration agent knocks on the door or comes up in the yard to reach the farm wife and says, "Mrs. Jones, I came out here to talk about your relationship with your husband." If that is what you mean by "direct" I am pretty sure the other approach would be better. I suspect that ^{is} what the questioner was getting at, so, of course, it would have to be through the indirect case. It is a question of getting your opportunity by the regard which the family has for you and then by being not only intelligent about these things, but having a lot of finesse of how to express your intelligence. In other words, you won't dare express them with the same dynamics I do in public speech because that is a drive. You can't drive on things like this. It is a subtler process of agriculture, if I gather what the picture is, so I think of the two things the person has in mind, that I would answer "Indirect." It is through the normal safeguard against a thing and so often when somebody wants to do the thing which you have in mind by indirect method you get scared for fear after all they are side-stepping the issue. Keep in mind that by saying you do it in the other normal projects that you don't fail to do it as the opportunity occurs and you can't do it. You ought not to try to do it if you haven't got a pretty keen understanding of what you are talking

about. I do not mean that in order to be helpful or in order to take your rather personal part if the family gives you an opportunity to that you have to be one of these extraordinary persons. That is just so much fiction, that there are certain people who are born artists and can do that sort of thing. I have known people that have been reared in certain circles that wouldn't be able to do it, who probably aren't good home demonstration agents anyway.

"How can the social, recreational and spiritual concept of life be best incorporated into an extension program?"

That is a good question, I mean that is a practical question, and it is not an easy one to answer. It can't just be thrust in. A relief director from North Dakota was in my office yesterday afternoon. I can't remember now what the illustration he was giving, but I remember the principle involved was the same as this, in which they had worked for a long while to get people to do a certain thing and had not been able to get them to do it at all, but they kept hounding along and creating the atmosphere of knowledge of the situation so that people finally became cognizant of the existence of the problem. It had something to do with the drought. In other words, people would not believe that things were in North Dakota as they have turned out to be in the last few years. Now they know if you are going to live year after year in North Dakota in the farming area there are certain things you have to see. They couldn't make them see them. Now they have seen them. The first thing that is necessary to get these things started is a widespread knowledge of the things which I have been talking about this morning. In other words, you won't get the oppor-

tunity to put on any of these specialists, and these specialists won't get an opportunity to function very well unless everybody recognizes the task is there. That is the first thing, is to get a knowledge on the part of the people in charge, and not only the people in charge. In other words, Dr. Smith and Dr. Warburton could decide that, but they couldn't do the job. It must be on the part of the people who work with it out there. You can put a fellow on a football team and if nobody runs interference he would get murdered the first time an attack went through. The second thing is you must have available people ~~in~~ who can really click. That is a tremendously important thing, and never having any more sense than to think out loud, I would say that in the last five years since I came to Washington I have seen so damn many who didn't click in some things they thought they knew how to do, that I drive that thing hard, just merely a title does not make a functioning personality. Out in the rural districts in the early days of relief, if you put the name of a case worker on somebody they were supposed to be an expert in handling family relationships. You have got to have the people, and better not fill the job than to fill it with somebody who will mess it up. The first thing is ~~the~~ before you incorporate this you have to get the sort of thing I have been talking about this morning, widespread appreciation that there ~~are~~ processes that go on and on. Droughts do not destroy them, floods do not destroy them, the coming and going of the years do not destroy them. The family circle is the most constant thing there is in rural life. It will always be there, therefore you are talking

about realities, and these other things influence those relationships, however, but you are talking about a definite set of things. Until that is widespread, you cannot incorporate them, or until you get the trained people. Then you will come to the issue: Here are people we can get but we haven't got enough money. You are in the same fix with the extension program that I am with my family bills. You have to make a choice as to how much you shall have for this or that.

"Suggest how extension workers may best acquire a working knowledge of the subject you have presented."

Well, it is in the field of sociology and psychology and that is about the only answer I need to give. I know why I can't function in the field of soils. I don't understand chemistry. That would be my first limitation. I can't even get started on it. That is all there is to that. That is the only answer. If you know the fields which sociology and psychology cover, why you are going to get started.

"How develop these values in the farm family?"

I think we have hit at that, yet it is a tough proposition, isn't it? I remember talking in a country district in Iowa and a very fine couple came up to me afterwards, both of them college people, farm born and reared, had been married three or four years and were out there battling, during the depression too, and they came up to talk with me afterwards, and the woman did most of the talking. It is not the custom, but anyway, here is what she was saying: "Now, I think my husband and I both believe everything you say. I think we would like to have those things, but where is the handle we can get

ahold of. That is, when the horticulture specialist comes out there, we know just exactly how to go at it. These things you are talking about, we cannot find handles to k get ahold of it." But what is the handle? You have got to answer the question but the question is not easily answered, and I remember how I answered her. It is a poor answer because of the fact that you step back into your own family experience, and I used my father, for instance, as an illustration, but that was about all I could do is to say there are people who do do it, who make their k own handles, and I do know that apparently there was not enough of it in our family life to keep only one of us on the farm. I think the only thing that carried us away was the passion for education. That was what pulled us out. But Dad and Mother did love flowers and they had them. They took what was - I don't know the exact measurement of that inside yard fence, we had two yard fences, 100 yards went down into actual lawn which was landscaped, plus the grove, I don't count that. There was about one acre that was rich Iowa dirt that was given over to blue grass lawn, flowers, and shrubs, and so forth, and they did it. They did have reading material in the home. They spent hard cash in order to get it. Now, I knew those two people, naturally, as we know our fathers and mothers, well enough to know where the values lay. Dad was a successful farmer. He not only made enough to get by himself, but to pay the debts of some people he was foolish/^{enough} to go on their notes, and owned his farm and improved it. But those things had real handles to him. There was not any question about it, and about all you can say to a person of that kind is it goes back to the question of what you, yourself, know

and what you believe is valuable and, if you believe these things are valuable, then you have got handles on them. If you don't believe them, if you don't envision them, they are floating around in the air. If I were to attempt to depict to you a very deep appreciation of some great symphony, I couldn't do it. I love music but I don't - I haven't got deep enough knowledge to stand up here and do what Vanderpool did down in my class. He was in the Metropolitan Opera Company for six years. He knew it so well, the thing just lived, he could tell it. I couldn't do it. If, however, you were to ask me, "How did you learn to love music and appreciate it as much as you do?" I would have to say, "Well, not by learning the bars or the scales, because I can't read a note, but by participating in it, and then hearing more of it and then hearing more of it until it became like Shakespeare's jealousy, a green-eyed monster." That is a pretty hard answer, a difficult answer, but it is the answer to every psychological and cultural value there is, that you cannot measure off in yards and tear off a strip and say, "Here it is, so much a yard." Those values are inherent in themselves and you appreciate those values only by the consumption of the goods or service itself. In other words, physical values and physical processes are like this. All of us learn in our early economics what the law of falling utilities is, namely, that if you are hungry for a banana and you eat one banana you are not quite so hungry for bananas, and if you eat two you are still less hungry, and after awhile it is nausea to talk about eating bananas. There is a law of falling utilities, you surfeit the organism sooner or later. That is not true of these psychological things, They go

like this, they make the meat they feed upon. It is like the man said about the neighbor's girl when her mother was upbraiding her, the girl was going to high school, and her mother was upbraiding her for going out so much, and the hired man stuck his head in the back door and made this remark: "The more they go, the more they want to go." He had his finger right smack on the way these things develop. How do you put handles to it? If you can just get at first a little bit here and a little bit there, and get the experience, the handles will develop themselves in the lives of people. I am not going to say any more about it. I am a long ways from knowing all there is to know. I told you the truth that what I am supposed to know I got out of the fields of sociology and psychology.

"Is it more easy to develop desirable family relationships in those families with reasonably satisfactory levels of income or in farm family groups with a subsistence or below average economic income?"

Again that is a question I cannot answer absolutely, but I would answer in this way, that you probably get the best in an area where the level does not fall too low, otherwise you put strains on the family and things happen which I mentioned. Similarly, you cannot get it if you get too high. They get too highfaluting, they get cock-eyed values that destroy these things. It is in the area where you have got balance. I don't think the processes in Knut Hamsun's book on hunger dare take place. He has this artist who has come through on the basis of art until he starves himself literally to death. You cannot do that thing, you actually kill these very things I am talk-

ing about or they ride off into such an aesthetic plane that they become mental abnormalities and they actually do become crazy, and only crazy people live and fight for the things after a certain point. The only thing I can answer is that you must have the whole thing. It never is either or. It is a question of balance in between. You must not leave income out, just as you must not leave any of these things out.

"Is family life largely influenced by church philosophy? Shall Extension then teach religion?"

Well, I have run a good many question boxes and I have never refused to answer a question, but I recognize in answering them sometimes my answer is worth more than it is in other cases, and my answer first is this: I don't think the preaching of a philosophy ever does very much. I don't know how one person is going to present an idea to another person unless he tells it to him, if he does have the opportunity to do so. I am not saying that the passing of an experience by word of mouth is totally futile, but I am saying that ~~that~~ to stand up and preach doesn't get very far. I think I am talking as a social psychologist when I say that the second thing is I either don't know what religion is or religion is something that permeates all life and is not necessarily restricted to churches; therefore, if you don't use the symbolism that the preacher uses, why, of course, you can teach religion but, if you are going to start quoting the Bible, some rough farmer will kick you out the ~~f~~ gate and tell you he has some minister to do that.

"Shall the hired man live with the farm family?"

You cannot answer that question. In the Mid-west our hired men always lived with the farm family. If you go down into the deep South you are talking crazy. That changes the situation. This is a practical problem ~~x~~ that works out according to custom, and custom is probably right.

"How much shall we encourage ascendancy?"

That would lead me out into the margins of my own knowledge where I would probably be guessing part of the time and it would take a good bit of time to say what I think. I can give you this sort of an illustration. Sometimes I think in rearing children you are greatly handicapped by knowing these things, sometimes you are helped. In rearing my own children I can give you an illustration. When my own little boy, no longer little because he is six feet one and weighs more than I do, when he was a little shaver we lived on a dead end street. It was just sort of a neighborhood out there, real nice neighborhood. It was not on traffic, and a cluster of families up there. Because he was taller and longer armed, he became sort of a boss in the neighborhood. He could reach further than the other boys could hit. There was no question in my mind by the time he was four years old he was developing plenty of ascendancy. When we did have to give up this house, we made the question ~~x~~ of the neighborhood in which we moved a part of the issue, the question of rectifying that situation so that he would not become a little bully. I never did believe in going out and all the time scolding about it. I think the play process should be natural and let run. The thing to

do was to set a stage. We moved into the next neighborhood and the situation changed very distinctly. Many of you who would see my son now wouldn't believe this happened, but in that case an older boy who had been sort of a buddy of his got to lording it over him, no fights, but when the State College was playing baseball, why, son would outrun the other kid and get the baseball first, but he would wait for Adolph to pick it up. The process had worked out a little too far the other way, so what you do is change the situation a little bit.

Ascendency, both from the standpoint of the psychological satisfaction of the individual, I believe you must feel that you are going some place, that means at least before life is satisfactory to you. If the ascendency, however, must be measured with a furious intent to attain objects which you in yourself doubt the value of, then ascendency has become a habit in and of itself that drives you just because it is ascendency, but that is a subtle process. It is like skating on thin ice. Remember how we used to do that? Here is a hole. Skate fast and see how close you can get to it. Of course, we have the two great psychological types, the introvert and extrovert. The extrovert is the one that all the time wants to be the man who handles things. The introvert wants to sit under the tree and say, "I am not better than my father so let me die." That won't do either.

THE CHAIRMAN: Interesting as it is, I believe we had better quit. We will add these questions to your speech and give you a chance to answer them.

FINANCIAL PLANNING FOR FAMILY LIVING

By John J. Riggle,
Farm Security Administration.

page

JOHN J. RIGGLE

1

EXTENSION STAFF CONFERENCE

December 16, 1937

Room 1039, South Building

Speaker: Mr. John J. Riggle, Farm Security Administration.

In discussing this problem of the farm family living, I think we need to go back a little bit to get the background and the development that has preceded the things we are trying to do today.

The rural rehabilitation program began as a relief proposition under the Federal Emergency Relief Administration. Down in the counties the county relief administrators and social service workers went out and made living budgets for people and supplied those people with the things they happened to have available and tried to fill out their budget. It was designed more to keep these people alive than anything else. Then they got the idea that these people in the rural counties should be able to raise part of their living and cut down the relief expenditure, and so they made plans to lend these people, or purchase for them, cows and pigs and chickens, ploughs, and mules, and so forth so that they could raise part of their living and cut down the relief expenditures.

However, they went out and got some agriculturally trained people to head up that sort of thing and immediately the thing began to develop as a part of the agricultural program. They weren't content with these people making a large part of their living, but they wanted to set them up as subsistence farmers at first, and gradually

in these county offices these boys that were put in charge of this embryo program began to work out for themselves on cards, probably on one side of a card, an abbreviated farm plan. When the program was taken over by the Resettlement Administration, by reason of experience in developing of farm plans and feeding these families from a subsistence standpoint, it was immediately decided to put out there with these county supervisors a county home supervisor who would take care of the living end of it, family end of it. And together during the past two years they worked out what we have today, a farm and home plan, for each of these families to whom we made loans.

Now these are only--the ones I am talking about this morning--our rural rehabilitation clients. We have some emergency activities and client activities, which we consider the core of the program.

Now these farm and home plans which I am going to pass through here this morning have been developed by accumulating those abbreviated farm-home plans that were started out there in the beginning and consolidating them together, on the advise of extension people and of people in the Department here into rather comprehensive plans. As I said, they are the core of the program. This Administration of course being a governmental agency has been concerned in procedure and in a lot of the administrations with the regulations that have been laid down by the Treasury Department, necessarily so, and with customary practices with regard to security, which are more or less of a legal problem, and during the set-up stages those things have apparently over-shadowed some of these things that some of us are interested in, ~~especially~~ necessarily so, but when we get down to the core of the

problem, we find more and more that the success that we are having with these families depends upon whether or not, in the first place, we can work out farm-home plans for them that will provide the necessary income, and second, whether we can keep them to it and supervise them in the operations that are planned.

Now there are a number of difficulties connected with that. In the first place, we have recruited our field personnel, most of them agriculturally trained, and in some areas ^{where} they have not been available they are people with home experience. The home supervisors to a large degree are farm trained, they have their B. S. degrees, and they are further along in their farm-home training than are the farm supervisors, but we have recruited these people from a great many different interests; that is, they have had different interests before, they haven't been thinking about this problem, and these forms have been designed not only to set up the client with a plan which is workable but also to lead this personnel into an analysis of the situation and an analysis of what can be done with these clients on the basis of the plans. And one of our difficulties has been to get these things working all over the country with a large force of possibly 2300 county supervisors and possibly 1500 home supervisors, getting them working in harmony, getting them thinking along the same lines with regard to the coordination of the farm-home plan, and as a matter of fact, to get them, through the use of instructions and these plans, to get down to the fundamental problem of farm and home management which are back of the success of any plan that they might make.

Now I think that that probably will serve to introduce what I have to say, and I want to base my discussion on the two cases that I have selected which you can follow pretty well from these forms. In a general way you will note that the home management plan takes into consideration what has been done with this family and what it is planned to do during the coming year. It considers the food and the clothing and the household and community activities separately. The farm plan, Part II, takes into consideration the soil resources, and in the second place last year's business, which is pretty much an indication of what he is able to do, and also his eligibility for aid and his assets or liabilities. Next, his crop or livestock plans, and finally his financial summary, on which any loan we might want to extend is based.

I might say that the county and home supervisors when they get an application, they get some preliminary data which indicates what resources they have and what they have been doing on the investigation sheet, and then they go out and according to the proper procedure they make out these farm and home plans with the whole family, supposedly the head of the family, whether it is the man or the woman, agrees with the other one in the family as to what should be included in the farm plan, ~~as well as~~ what should be included in the home plan, and because of the pressure of time in some instances, particularly where a family feels that all they need is credit rather than supervision, there is a tendency sometimes to skip over any reorganization or any improvement which might be made in the farm management on that place or the home management. That is another one

of our minor difficulties.

I have here a farm and home plan and the docket of one of our clients, and because I say that these things are tied so closely together I am going to discuss in a preliminary way here both the farm and home plans.

This client has been with us three years and he is an owner of this farm. He has one boy nine years old. They have a \$3500 farm and they have a \$3500 mortgage on the real estate. They have assets of \$844 in the way of tools and supplies; that is, they did at the end of the second year--I don't have the first year here handy--but their total assets were \$4,844. Now I want to point out that while this is a supposedly low income farmer and needs public aid, at the same time these figures indicate that possibly there are a good many people who are considered rather substantial farmers that are in the same category. Total assets were \$4,844 and total liabilities \$5,909. In other words, he had a minus net worth of \$1,065. At the beginning of this year this man's land had probably increased \$500, was worth \$4,000, but still his total assets were \$5,404 and his total liabilities were \$6,649, or a minus net worth of \$1,244. In other words, he was \$200 worse off than he was the year before as far as assets and liabilities were concerned.

Now this man realized within \$200 the income that was planned for him on this farm plan in 1936. There was about \$3,000 worth of income planned, \$2,950 to be exact, and he realized \$2,752 of it. He is a poultry farmer. Now in 1936 the home management plan for this family provided--I will give you a little bit in detail because

I want you to get the picture here that this family would buy \$54.60 worth of milk, they would buy \$6.50 worth of cheese, they would buy \$36.40 worth of butter; they would buy \$19.10 worth of bacon, lard, and pork; beef and veal \$39; fish and game \$6.00, a total of \$64.10 for meat. At the same time they would raise \$11.25 worth of poultry valued at farm prices and \$12.00 worth of eggs. Now you get down to vegetables, they would buy \$10.42 worth of potatoes, they would raise \$2.24 worth of tomatoes, and citrus fruits, of course they would not raise those and would buy \$23.70 worth of citrus fruits and other green vegetables. They would raise \$9.00 worth of peas and beans and buy \$7.50; they would raise \$4.00 worth of other vegetables and buy \$3.20; they would can \$12.50 worth of vegetables and buy \$13.00 worth, and dry vegetables they would buy \$2.10. The total for vegetables produced and canned would be \$27.74 and bought \$59.90. Now of the fresh fruits they would--I will not give you those in detail--they would raise \$15.00 worth and they would buy \$27.35.

QUESTION: Is this what they did buy or is that what they would buy if they lived in town?

MR. RIGGLE: That is what they did buy out on this poultry farm.

QUESTION: Is that approved by your Administration?

MR. RIGGLE: I will get to that. They buy \$5.20 worth of flour; they buy \$43.75 worth of cereals and bread; sugar and honey \$11.70; tea, coffee, etc., \$17.00; salts and spices, \$6.00, and canning sugar, \$2.50, a total of \$86.15 for those items. In other words, they were raising \$65.99 worth and they bought \$335 worth.

I want to discuss that from the food standpoint first. That was in 1936. I pointed out to you that these people had gone back \$200 in their net worth, so maybe that gives you some indication of what I am driving at here. Now in 1937, going over those same items, they were producing \$191.40 as compared to \$65.99 and buying \$389.50 as compared to \$335. Their cash living expense, taking into consideration this food, including \$389.50 for food, \$55 for clothing, \$177 for household supplies and household operating costs, \$1.50 for furnishing and equipment, \$18 for medical care, \$21 for personal expenses, and \$135 for family development, which included about \$100, I think, worth of life insurance, was \$841 for 1937 and 1936, it was \$670. In other words, it increased just short of \$200.

Now this is a family of three people, one boy nine years old, and I think from my limited knowledge possibly the outlay they have here for food they probably are pretty well fed. I think probably they had a pretty well-balanced diet, but that would be subject to some analysis.

Now in addition to that there is another thing to take into consideration and that is that the farm operating expenses for 1936 for this poultry farm were \$2,570 as compared to a projected income for that year of \$2,964; and for this last year they were \$2,581 as compared to a projected income of \$3,651.98. This man was buying 44 tons of feed to feed those chickens, and all the farming that he was doing on this poultry farm, which was on about an acre of ground, was one garden for home use, sixty by a hundred feet. Now I want you to remember that case.

QUESTION: Where is he located?

MR. RIGGLE: New Jersey.

Now we are going across the river to Pennsylvania. This man has been with us three years too. There are in this family five boys ranging from six to fourteen years and four girls ranging from five to fifteen years of age. Without going into the details of the different food items concerned here, this family planned to buy \$215.90 worth of food and raise \$886 worth in 1937. Their total cash living expense involving those items I gave you a while ago was \$523. Now this is a family of eleven people compared to three. The total operating expense for this farm, which is a general farm, by the way, involves the growing of 21 acres of wheat, 22 acres of corn, 15 of oats, 25 of soy beans, 3 acres of potatoes, 4 acres of sweet corn, 1 acre of onions, 1 acre of lima beans, 1 acre of peas, and provides for the care of seven producing milk cows, the butchering of one veal, three hogs, and the keeping of a hundred hens. His cash farm expense was \$1300; his projected income, estimated income, was \$2,357, and he exceeded that by \$250. The first year that he started out--that was the second year--his cash farm expenses were \$659 and his total projected income was \$1,473, so he started from nothing. He was a relief case.

The point I want to make between these two samples which I have picked out, not because they are extreme because you can't get too many extremes if they are properly approved, but within the limits that some of them get through that shouldn't, is that--I forgot to tell you that this man here, his total net worth is \$1,438 which

is a considerable increase over what it was the first year, about four or five hundred dollars over what it was the first year. It shows how closely the financial planning for family living is wrapped up in the farm income and what a contribution the proper planning of the family living can make to the ability of that family to work out a rehabilitation if that is what they are doing, or to grow in income and the possibilities of the things they can do with that income.

In other words, when you start to plan financially for the family living, you are thinking of two things possibly; first, of course, people interested in living; secondly, I don't know whether they are interested in a plan, a dwelling, or in clothes, I can't tell you that, but they are interested in things consummable immediately and things that go to make up the home that they live in. And the more I look at these plans--and by the way I had an opportunity to sit in for the past four or five weeks in the loan program section where they examine these things, where they examine them before they allow any loans--the more I think that the ability of the family to live properly and plan for that living depends upon the income that the farm and home can produce together. I think that we have probably had that feeling all the time and everybody has that feeling, but the more it is borne out here when you examine these individual plans, the more we see that we can't provide for proper family living unless the home management is coordinated with the farm management, and that financial planning for family living is just as much concerned with cutting down the cash outgo for consummable goods as it is enhancing the income.

Here is a family of eleven people raising about \$889 worth of their family living and buying less than \$300, I believe it was. Their cash income as far as the farm was concerned was approximately a thousand dollars more than their cash outgo, and on the other hand we have a family of three people who were buying \$400 worth of cash living or food rather, and about \$841 worth of cash living and producing about \$191 worth in their second year. Now I don't believe that we can get away from the fact that in addition to providing for the consumable goods that they can equip that house properly just in so far as they are able to show a surplus of cash income over outgo. In other words, they capitalize the home as well as the farm out of that surplus, whether they borrow the money in the first place to do it or not. Similarly it has to come out of the surpluses that they can earn and that gets right back to what these people do in the way of labor. It gets back to labor income of these families, whether it is devoted to producing farm crops, livestock, or the products of their own food supply, and pretty much I think the financial planning in family living is going to depend on how the labor of the family is used, how far it is used to provide not only the farm income but also the family living.

If we consider that the cash income of farmers of this country was about nine billion dollars and there are about six million farm families, the cash income for each family is about \$1500, and the share of that that goes for farm operating expenses is pretty large, interest on mortgages for seed, fertilizer, labor, etc., there isn't going to be a whole lot of it left on which to plan these expenditures

for family living because if they are not able to operate the farm, pay up the interest, etc., they won't have any place to live. They will be forced possibly, so far as ownership is concerned, to go into the tenant class and so far as the tenant class is concerned, they would be getting more and more in debt and they can't get any more credit. So in the last analysis, it is going to depend pretty much on the ability of that family to spread their labor upon the production of crops and livestock which will bring in the cash income of the farm, and I say that while we have been working with a group of people which includes those people who are down and out and a good many of them forced to go onto relief, clear up to those with a credit status so that they can get credit from the Farm Credit Administration or local credit agencies, we are not finding a whole lot of difference in this particular respect, and if the cash income of the average farm in this country is \$1500, out of which the farm operating expenses and interest on the mortgages and cash rent and everything has to be paid, I expect this problem is not much different with all the farmers in the country.

I want to cite just one more little example of what I am getting at from the standard of living of farm families. We have another case of a person who went out and bought two acres of land valued at about \$7,000 with the buildings on it. That house had modern equipment with a furnace, electric refrigerator, and bath, and this man was keeping 2,000 birds, a poultry farm again. He was living pretty much on a city scale. He was spending \$1200 for cash living expenses. Out of those birds he probably had a labor income of ~~for~~ somewhere

around twelve or fifteen hundred dollars. Now it is apparent on the face of it that out of that labor income he can't support a \$7,000 establishment from the standpoint of home living. Certainly he was going backward as far as his poultry enterprise and his loan was concerned.

Before I close--that is just an added example--I want to mention how we have taken care of some of these other things, or beginning to take care of them. The matter of home equipment. I want to cite a case in Virginia where these people have gotten together and organized a community equipment center which includes, in addition to farm operating equipment for possibly sixty or seventy families, a community canning plant because they have steam for the canning plant, they have steam for a laundry, they have laundry equipment and sewing equipment. Those people come in there and pay a fee, I think it is 25 or 35 cents an hour for the use of the laundry equipment, and they are getting it done in two or three hours where they used to spend possibly a whole day at it for the larger families. That is because the farm income of these low income families will not allow them to capitalize into this expensive equipment. This is ~~xi~~ what it is designed to solve--that problem. We find the indications are that it may work out.

From the standpoint of the health of these people, a good many of these families that we get, the majority of them have illness, miseries, that have been with them for some time. Some of them are pretty serious, they have organic troubles, they have hernias, they have chronic appendicitis, they have all kinds of eye trouble and ear

trouble, everything that you would find in a group of people that have never been able to finance the taking care of these things. In one area last year they reduced the number of families who needed medical attention, because they gave them treatment ahead of time when they needed it, to seven per cent, and in these home management plans you will find there provisions for medical attention, and in these particular ones I think one of them got \$50 a year and the other one \$15. In addition to that, where they need emergency treatment, operations, etc., if their farm-home plan won't carry it, they give them a grant to help them over that emergency, and their farm plan or home plan is not in jeopardy because of that situation. But the primary development I was thinking of was this, that these people have gotten together in a good many counties now, and other low income families whether they are clients or not, and they have borrowed \$25 and with that \$25 together with \$25 from different families they have hired a doctor who gives them routine treatment, examinations, etc.--he doesn't take care of operations, but he does give them treatment for the ordinary ills on a flat salary basis. I said on a flat salary basis. What happens is they pool this fund with the secretary of the local medical association, and he audits the bills sent in by these doctors, and they have agreed with these doctors that they will charge a rate which was developed during the relief days, so much for each kind of treatment, and they are getting their medical attention that way. These two group items, the one taking care of the home management in a group action and the medical care by group action, are two of the developments that we are working on now that we hope will

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amount to something in the future.

CONTRIBUTIONS TO FAMILY LIVING THROUGH
CONSUMER EDUCATION

By R. S. Hadsell,
Consumers' Service Sec.,
Consumers' Counsel Div.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D.C.

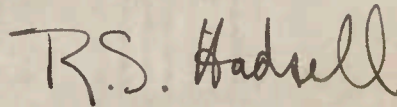
January 7, 1938

MEMORANDUM TO DR. C. F. SMITH
Chief of Cooperative Extension Work

Dear Dr. Smith:

I am enclosing with this letter a copy of the talk, "Contributions to Family Living Through Consumer Education," which I gave on December 16 before the conference of the Extension Service staff here in Washington. According to Miss Grace Frysinger, you desired this material for further use with Extension workers. If you have any question about the material included you may call me on Extension 4785 (Agriculture).

Very truly yours,



R. S. Hadsell
Consumers' Service Section
Consumers' Counsel Division

Enclosure

CONTRIBUTIONS TO FAMILY-LIVING THROUGH

CONSUMER EDUCATION

By R. S. Hadsell, Conference of Extension

Service Staff, Washington, D. C., Dec. 16, 1937.

There is evidence on every hand of the increasing tendency of individuals to think of themselves as consumers as well as producers. Because we are here today as members of the Department of Agriculture, I should like to illustrate this change by referring to ^{one of the} farm groups ~~x~~ in ~~in~~ my own home State, ~~Ohio, the most powerful farm group in~~ the Ohio Farm Bureau Federation. ^{Let me} ~~I should like to~~ cite the 18th annual report (Dec, 1936) of the Executive Secretary of ~~this~~ organization, Mr. Murray Lincoln, as indication of the trend of thought among farm groups.

Speaking of producer and consumer activity, Mr. Lincoln said, "The more I analyze these two phases of human activity, the more I am amazed at the degree which we think of ourselves as producers, largely forgetting ourselves as consumers.

"It would be folly to deny the many benefits of collective producer action...The world owes much to it, and I am not in any way intimating that people should lessen their activity along those lines, but a conviction is growing with me that action as producers is largely responsible for many of the troubles, both economic and social, that beset us; for the waste that there is in distribution; for the humbug that there is in advertising; for the shoddy goods that are foisted upon us; for the high cost of installment buying; and other things that materially lessen or destroy purchasing power.

"I'm coming to the belief, ~~right now~~ that as farmers, by ourselves, there is not much hope of our licking the present distributive system with its interlocking relationship with finance, its influence in government circles, ~~and~~ its wide economic and political power, and thereby securing our rightful share of the nation's income.

"But I do believe that if we can find the proper basis of relationship with the urban consumers, together we can dominate the whole field of economic production and distribution...."

A fair question to ask is: "What results have Ohio Farm Bureau members secured from their consumer activity?" Four years ago the

Farm Bureau members purchased 283,000 gallons of gasoline and oil through ^{their} ~~the~~ cooperative association. The next year 3,800,000; the next 9,150,000; and this year 20,000,000 ^{gallons}. Today they are handling 33% of the petroleum products used by Ohio farmers. Their automobile

insurance company is the seventh largest in the United States. They now have their own life insurance company, and, Through National

Cooperatives, ^{they have secured} ~~the handling~~ full line of electrical equipment. ^{for retailing} ~~to their members.~~

~~farm family living is better in Ohio because farmers are beginning to think of themselves as consumers.~~

In the first six months of this year The Ohio Farm Bureau Cooperative ^{Association}

purchased \$ \$4,417,000 worth of goods for its members, and returned ~~the~~ the savings on these purchases to increase farm ~~purchasing~~ buying power.

This is an increase of ~~over~~ a million dollars over the same period last year. Yes, farm family living is better in Ohio because farmers are beginning to think of themselves as consumers.

It was the opinion of ^{the} members of your committee that the chief interests of this group would be in methods, problems and materials for consumer education. On Monday, as I was preparing these remarks, I glanced through some excerpts from the annual reports of extension workers relating to purchasing methods for food, clothing, and general household materials. What I have to say on methods of consumer education might well be written in terms of some of the programs described in these reports. Lack of time compels me merely to enumerate a few general principles of procedure.

First, any consumer education program should meet the needs and interests of the ~~participating group~~ ^{members of the organization}. ~~In other words,~~ the program should grow out of the background and experience of the group; it should not be handed down from above. Any central planning of consumer programs should offer a wide variety of selection to ^{those participating} ~~local groups~~.

Second, wide use should be made of visual materials. A bibliography on Commodity Buying and Related Consumer Problem which the Consumers' Counsel Division is preparing will have approximately three pages devoted to lists of consumer education exhibit material.
(~~mention room 2010~~)

Third, the program, as much as possible, should be an activity program: Grade products, conduct tests, make ~~well~~ planned tours, build exhibits, give playlets, etc. I note that some of your groups are making good use of consumer playlets, "Neighbors at the Grocery Store," and "A Bargain in Sheets." Copies of "A Bargain in Sheets" may be purchased from from the American Home Economics Association, Mills Building, Washington, D.C. for 10¢.

Fourth, whenever possible have the program result in positive action by the individual or the group in the direction of desirable changes in their buying or consumption habits, or some other phase of their consumer activities. Many farm groups are getting an important kind of consumer education through cooperative buying activities. There ^{are} many other activities which come under the heading of action ~~rather~~ as contrasted with "merely talking things over."

Fifth, cooperate with other agencies to promote consumer education. I know of several cases where Extension Service groups have cooperated with other agencies to promote forums or institutes on consumer problems. ~~Discussion~~ ^{have} groups ~~at~~ livelier discussions when ~~groups~~ ^{persons} having different backgrounds and interests are brought together.

Speaking now of more specific items, I note in the reports of the extension workers a special emphasis on the phrase, "Read the label." It seems to me that we need to place another slogan alongside this one, which would read, "Demand Standards for Consumer Goods." Although we have standards for many agricultural products, the demand for graded goods is not as strong as it should be. The American Standards Association now has an Advisory Committee on Standards for Ultimate Consumer Goods. The program of this agency is to establish standards for ~~non-agricultural~~ consumer goods, but it can ^{make} progress only as rapidly as consumers demand standardized goods when they buy.

There are two difficulties which leaders of consumer discussion groups are sure to encounter early in their work. The first difficulty is the so-called conflict between farmer and consumer groups, or more specifically between marketing and consumers/cooperatives.

At a recent

Last week at the Conference on the High Cost of Living in New York City, in which representatives of over ²⁵⁰ consumer, labor, religious and social service groups participated, there was not one word of complaint against the farmer. The really harsh words of the members of the conference were directed against the monopolies which ^{vitaly affect} ~~control~~ the processing and distribution of certain basic ^{products} ~~goods~~. Indicative of the new viewpoint was the announcement at this meeting of the formation of a consumers' cooperative by the New York City Milk Consumers Protective Committee to deal directly with an up-state New York milk producers cooperative. It is direct cooperative action of this kind that will destroy the old picture of the ~~supposed~~ conflict between consumer and marketing cooperatives.

The second ^{problem is} ~~difficulty~~ ^{with} consumer organization. Every intelligent consumer realizes that the improvement of his individual position as a consumer can be secured only as he joins forces with others to make his influence felt.

At the beginning of 1939

Let me review the present status of consumer organization. ~~There~~ ^{were} three active agencies which test and rate consumer goods by brand name: Consumers' Research, Washington, N. J.; Consumers' Union, New York City; and Inter-Mountain Consumers Service, Denver, Colorado. These three agencies now have approximately 130,000 members. During the last year two other similar agencies were organized. Consumers' Informer Association of Los Angeles suspended operation after getting out two issues of its publication, "The Consumers' Informer," one of which contained the perfectly absurd statement that food cooked in aluminum cooking utensils was ^{deleterious} ~~poisonous~~ and had a tendency to cause cancer. ~~No wonder this agency thereafter suspended operation.~~

A report from the Chicago Better Business Bureau ^{says} ~~states~~ that the Consumers' Bureau of Standards located in that city ^{stated that it would} ~~promised to~~ have disputes over the ratings of goods ^{listed in} ~~in~~ ^{its} ~~in~~ publication Consumers' Preference submitted to the Mellon Institute or the Massachusetts Institute of Technology. No arrangements had been made for such service, and both agencies are demanding a retraction of the statement as they do not handle this type of work. The point I wish to make here is that ~~the interest~~ consumers' interest ~~in specific~~ information in the comparative ratings of brands of goods has arrived at a point where it is likely to be exploited. Leaders need to be on the lookout for fly-by-night rating agencies that conduct their work on a haphazard basis. Seemingly we need a rating ~~agency~~ service for rating agencies as well as for consumer goods.

Business is finding it worth while to give attention to consumer organization. Seemingly run on a high plane and with the controlling vote in the hands of consumer representatives is the Consumer-Retailer Relations Council of the National Retail Dry Goods Association made up of department stores and mail order houses. This organization aims to promote informative labeling and other aids to better consumer-retailer relationships. It is backing the standards program of the Advisory Committee on Ultimate Consumer Goods organized last year by the American Standards Association. It is to be financed, according to announcements, by consumer and retailer contributions. Obviously, however, the lion's share of the money, ~~probably~~ will have to come from the retailers.

Worth careful watching is the proposed Consumers^{3/} Foundation which has been allotted \$25,000 by the Institute of Distribution, a chain store trade group, to explore the proper scope and function of a national consumer organization ^{to} engage~~x~~ in educating the consumer on subjects that call for effective consumer action. Dr. Robert S. Lynd of Columbia University, after attending one of the organization meetings for the Consumers Foundation wrote an article for the New York Times in which he said, "At this critical stage of consumer organization the movement faces precisely the danger which labor has been facing in the form of the 'company union.' The whole movement can be aborted if the present plan of manufacturing and retailing trade associations to set up 'kept' consumer pressure groups is allowed to go forward unchecked. Chain store legislation and price fixing legislation have awakened many trade associations to the fact that the consumer has an equity which can be used as convenient asbestos gloves to pull business chestnuts (and incidentally some consumer chestnuts) out of the fire. Plans are actively under way to organize the women of the country as consumers, who can be marshalled conveniently as the occasion arises as a 'front' behind which trade associations can fight for what they want." We therefore have the additional problem for leaders of discussion groups to be on the lookout for 'kept' consumer organizations.

HP The Consumers' National Federation of New York City is an effort to coordinate the work of many agencies having an interest in consumer problems. It is the agency which organized the Conference on the ~~High~~ ^{High} Cost of Living held recently in New York City. ~~Over~~ ²⁵⁰ 260 organizations sent delegates to this meeting.

A third type of consumer organization is the group which works for the improvement of labor standards and working conditions. The first of these was the National Consumers League, organized in 1899, which spends most of its time working for labor legislation. The second is the League of Women Shoppers, organized in June 1935, to provide a channel of expression for women who wish to use their purchasing power to improve the working conditions of those employed in manufacturing and selling the goods they buy. They investigate and report ~~immediately~~ to consumers on conditions behind strikes. Confining its activities at first to New York City, the League now has branches in Washington and several other cities.

A fourth type of organization is represented by the consumer divisions set up by states and cities. The New York City Department of Markets, Weights and Measures has a Consumers Division which gives a five minute daily broadcast of market information for housewives in New York City. The New Jersey State Department of Agriculture has a Division of Consumer Information. The Minnesota State Department of Agriculture has a Consumers Division. The State Department of Agriculture in Michigan has just acquired a Consumers' Counsel. At a convention of the heads of State Agricultural Departments held last year representatives of 14 states indicated that their departments intended to set up some kind of consumer service section. As most of these agencies specialize in consumer information on agricultural products this development is of special interest to Extension Service leaders.

The fifth and last type of organization is the group of Federal consumer agencies. Of course, there are many agencies in the Federal Government which serve consumers. There are three, however, which have the word "consumer" in their titles. Of those, only one, the Consumers' Counsel of the National Bituminous Coal Commission, has been authorized by Act of Congress. This agency has just issued a publication, "How Much Heat," a plea for consumer standards for bituminous coal. An

"A Consumers' Counsel For Coal,"
article, describing the activities of this agency ~~will be~~ ^{is} carried in the

Dec 13, 1937
issue of the CONSUMERS' GUIDE. ¶ The Consumers' Project of the

Department of Labor is concerned with standards for consumer goods; and ^{the legal}
^{status of} those consumers organized in cooperatives. It has recently issued such publications as "Specifications for Purchasing Canned Fruits and Vegetables", ~~for use by cooperative groups and other large scale buyers,~~ "Consumers Cooperative Statutes and Decisions," "A Model Cooperative Law," "Bills and Laws Affecting Consumers," and "Analysis of Condition, Quality, and Size Requirements of United States and State Standards for Fresh Fruits and Vegetables and Legal Standards for Dairy Products." One hundred and seventeen different kinds of fresh fruits, vegetables, and nuts; and ten types of dairy products are included in this latter bulletin.

Let me outline briefly some of the activities of the Consumers' Counsel Division. ^{of the Agricultural Adjustment Administration} A Program Operations Section made up of economists examine the proposed marketing agreements and other parts of the farm program of the Agricultural Adjustment Administration to see that consumer interests receive due recognition. The Administrative Service Section handles approximately 400 letters per week asking for information on consumer problems. A Research and Statistical Section carries on research in price trends and any special surveys conducted by the Division such as the survey of consumer preferences for citrus fruits and juices, and the milk consumption survey.

This Section is undertaking a national survey of weights and measures administration in cooperation with the National Conference on Weights and Measures, which we hope will result in a study outline for consumer groups on weights and measures. This Section also is making a national survey of consumer education in cooperation with the U. S. Office of Education.

Main function of the Consumers' Service Section is getting out the CONSUMERS' GUIDE and any general publications of the Division. The CONSUMERS' GUIDE now goes to approximately 100,000 consumers. A special effort has been made to get the GUIDE into the hands of the leaders of every Extension Service discussion group dealing with consumer problems.

A complete list of publications of the Consumers' Counsel Division is ~~attached~~ given at the end of this paper.

Consumer education by its very nature is in the forefront of the campaign to improve family living, because it gets at the fundamental problem, which is the education of people in the intelligent selection and wise use of the goods and services they need for every day living. Although progress has been made, a large and challenging task still remains in getting individuals to think of themselves as consumers as well as producers.

Consumer Education Materials Available From the
Consumers' Counsel Division
Agricultural Adjustment Administration
Washington, D.C.

1. CONSUMERS' GUIDE, an illustrated bi-weekly bulletin of information for consumers of agricultural products, including regular monthly reports on changes in food supplies and prices, and special articles on quality standards and specifications, ~~on~~ nutrition problems, family budgeting, methods of utilizing and conserving foods, ~~on~~ safeguards against adulterated and misbranded foods, ~~on~~ government services for consumers, and cooperative activities of consumers. Most issues include a list of study questions which can be used as a basis for group discussion of consumer problems. The Consumers' Counsel Division will be glad to supply any Extension Agent with a limited number of sample copies for distribution, and with subscription blanks. Subscription is free.
2. A STUDY PLAN FOR CONSUMER GROUPS, an eight point discussion program on consumers' problems based on material in the CONSUMERS' GUIDE. Back copies of the GUIDEx referred to in the study outline will be sent as long as they are available.
3. CONSUMERS' LOOK AT EGGS, (May 1937, pp. 13) is No. 1 of a series of consumer study outlines designed to aid leaders of groups interested in discussing buying problems. This number gives full directions for two programs on the nutritional value of eggs, on how to identify quality, on government grades and State egg laws. Available only by purchase from the Superintendent of Documents, Washington, D. C., 10¢.
4. COOPERATIVE BOOKSHELF, (May 1937, pp. 13), an annotated bibliography of Government publications on consumers' cooperation. Available only by purchase from the Superintendent of Documents, Washington, D. C., 5¢.
5. CONSUMER SERVICES OF GOVERNMENT AGENCIES. (In press) Lists all the offices in the Federal Government whose work offers some aid to consumers in their buying problems, and all educational material, printed and visual, available from these offices. If you so desire, your name will be placed on the mailing list to receive this free publication as soon as it comes from the press.

6. CONSUMERS' BOOKSHELF. (In press for release in February 1938.)
A carefully annotated bibliography of publications of Federal, State and local governments and non-commercial independent agencies on commodity buying and related consumer problems. One section contains many references to publications especially useful to teachers of consumer courses in the public schools. Most of the materials listed are low cost pamphlets. All the information for ordering is included. This pamphlet will be sold by the Superintendent of Documents. Write the Consumers' Counsel Division for price information.
7. CONSUMERS' MARKET SERVICE, one page by-weekly mimeographed release, a news flash summarizing the latest available information on supplies of agricultural commodities intended for use of buyers for cooperatives or other consumer groups.
8. The following reprints of articles from the CONSUMERS' GUIDE are available free on request:
Are Price Tags Enough?
Bread Facts For Consumers.
9. The Consumers' Counsel Division makes an effort to collect the latest available materials for consumer education. This file of commodity buying pamphlets, course materials developed by schools and colleges, and discussion outlines on consumer problems, is available for use by any one at the Office of the Consumers' Counsel, Department of Agriculture, Washington, D.C.

CONTRIBUTION TO FAMILY LIVING THROUGH
RURAL ELECTRIFICATION

By J. M. Carmody,
Rural Electrification Administration

ADDRESS BY
MR. J. M. CARMODY, RURAL ELECTRIFICATION ADMINISTRATION
BEFORE THE EXTENSION STAFF CONFERENCE
DECEMBER 16, 1937
3:30 P.M.
ROOM 1039 - SOUTH BUILDING

I was a little surprised when I heard that your very delightful and charming Dr. Baker feels that perhaps farmers cannot afford to pay for electricity. That rather stumped me for a moment and I wondered whether that ought to have any bearing upon what I say to you, but I concluded that it ought not to have any bearing, because Dr. Baker knows so much more about the potentialities of farm families with respect to earning their own living and buying things than I shall ever know that I should not attempt to argue the question with him. I thought it might be better if we accepted the fact that those farmers who do not now have electricity and those farm families that are not so served will never be satisfied with their lives on the farm until they do have it. That doesn't mean that all of them will have it, but we know very well that almost without exception and in spite of what a few people tell us, over a period of time farm families do want electricity. As a matter of fact, only this week there came into my office representatives of the individual plants, one man representing six or seven companies that manufacture these lighting plants and another representing the battery people that furnishes batteries, and what disturbs them is that they cannot find a farmer that does not ex-

pect to have high line electricity in a comparatively short time. They cannot even get batteries renewed; they cannot sell batteries because everybody tells them that he and his neighbors are going to have electricity. Of course, that is not true, but I find it difficult to persuade them. That is not our business to tell farmers that they cannot have it. We have no such right. The fact of the matter is that, operating under a statute passed by the Congress, we are required to see that wherever groups of farmers can organize a feasible project, they get money if it is available. And we cannot then go on and say to any group of farmers anywhere, any individual group of farmers, that there is no chance of your ever having electricity. Our own business is to see that they do get it within the possibility of the appropriation and, of course, always on the assumption that the particular project for which the money is loaned shows every evidence of being feasible and paying in the end.

Now, I think I ought to say to this group that, so far as I can learn, when the Administration was set up the people who organized the Administration and who set up the machinery apparently expected the existing power companies to borrow these funds and in turn build extensions to their lines out in the rural areas. The organization was set up pretty much on that basis and a very small number of people brought in, some of them, I think almost all of them having had previous utility experience and being in position to deal with utilities

in those matters of borrowing and lending. About that time the Holding Act got under way in Congress and Newton Baker, who was counsel for many power companies, told them not to borrow this money to extend their lines but rather to put their energies into fighting the Holding Act. That left our REA without customers.

The next step was to find out how and through what channels this money could be gotten to those farmers who really wanted electricity. There were large numbers of them writing in, individually, but they were not always organized. Then the Administration asked Boyd Fisher to see what could be done among the various farm agencies, and from his activities came a good deal of encouragement for cooperatives, with the result that today we have loaned approximately 80 millions of dollars, and some 80 percent of it, and I would say perhaps 90 percent of it has been loaned to electric cooperatives made up of the farmers themselves. A very small percentage, perhaps one or two percent, two percent would cover it, has been loaned to power companies, and the remainder to municipalities or public bodies such as the power corporations, or whatever they are, in Nebraska, the power district. That is 80 percent of 80 million dollars, 64 millions of dollars, has been loaned to farm groups. Many of these borrowers are members of anywhere from one to seven or eight cooperatives in the areas where they live, depending on where they live, as you men and women know better than I do. Many of them, particularly in the Southern States, both in the Southeast and the Southwest, have had no

experience with cooperatives whatsoever, and they are learning cooperation for the first time.

Now, here is how this business operates. A request comes in for a line; a survey is made and a customer map is developed. We get from the field as much information as we can about the income of these people, etcetera, and our department of research, as we call it, having economists and engineers, use the statistics of the Agriculture Department and Resettlement when it was a separate agency, now whatever it is called, Farm Security or whatever it is, we get all the figures we can from the respective Government agencies and put them together with respect to income, soil conservation practices, and all that sort of thing. When that is all done, perhaps a man goes into the field, or a woman, and makes some spot checks, and ultimately an allotment is made. I am sorry that I didn't bring with me the package that goes out at the time the allotment is made. Allotment is a tentative thing, and it is more tentative now than it was in the beginning, requiring after the allotment is made, before the loan contract is signed, the contractor signing up for a definite amount of service, that right-of-way easements be given by the property owners. There are a great many things that will save trouble to them and to ourselves in end if this loan contract is made between them and us. Meantime, they have been allowed to engage a lawyer to whom they are allowed to pay a reasonable fee, choose a project engineer that relates their plants specifically to the needs of the terrain in their area, and that project engineer

works with our headquarters' engineer as people in the field work with you, and they finally work out a definite plan and a map, and then almost wholly jobs are built by contract. There are some that are not, but they are very limited. These jobs are let to contractors who bid on them, and the bids are opened up in the presence of our engineers. The contract is let, and the contractor goes ahead and builds the line. He has had to purchase poles, conductor, hardware, and all that sort of thing. Fundamentally, the reason given by the utilities themselves for not having rendered this service in large measure in the past was the fact that it wouldn't pay, lines cost too much, and that the income was too small or too thin.

Where any of the companies build rural lines, and they built only a few, comparatively few, until this year and last, they require the farmers to pay for those lines either in cash, up to \$300, \$500, or \$600 per farmer, or they require each farmer to furnish the material and pay for the labor, and then the lines were turned over to the company.

Now, those lines were built, after a fashion, by urban construction. In other words, we now refer to that kind of construction as "battleship construction." The fact of the matter is that the utilities a good many years ago, as you know better than I, succeeded in getting the general public and the rural bodies of all sorts to accept a theory of valuation and income that has been extremely agreeable to them but extremely arduous to people who have to pay for it. Namely,

they have got the regulating bodies and even the courts to say that they are entitled to a certain definite income, usually 6 or 7 or 8 percent, sometimes more, on their invested capital, and of course that theory operates greatly to the advantage of those who invest more and more capital, with the result that first of all there is no occasion whatsoever to reduce your actual investment because the larger your investment the larger your total returns. If you can get 8 percent on two million dollars of investment, it is much better to make 8 percent on two million dollars than to get 8 percent on one million dollars, so there is no incentive to effect thorough-going economic construction, with the result that when REA came along, taking its cue from TVA, it was able to design lines that can be built anywhere from \$750 to \$1250 a mile, depending partly on the type of construction required and partly on the terrain. Some lines are being built for less than that, not many, and where they are, I suspect it is in areas where perhaps the people that furnish material and labor do not get what we call adequate return. I speak of the Southern States where construction cost is less than in Montana, Idaho and Washington, where wage rates are higher, and everything else accordingly. We have attempted to keep the cost of the lines as low as possible, and we have attempted to do one more thing, we have attempted to prevent these projects from being loaded with any extraneous expenses. The fees of the lawyers are smaller fees than permitted by any other Government project. FWA has paid the lawyers twice as much as we have asked these farmers to

pay. Similarly with engineers. The general practice among other agencies, like the PWA who employ engineers, is to pay them twice what these farmers pay. We have gone on the theory that these farmers are entitled to the best service they can get for the least possible cost, and no one ought to saddle on them the kind of expenses that can be saddled on corporations that can get money back under the surveillance of the Government. These farmers who are borrowing money must pay it back. It is not given to them. There is no grant. They are to pay it back through amortization of the loan through 20 years. They pay it back by having amortization included in their rate.

We see that they don't have expensive officers and directors, and they don't get paid except for attending meetings. It is a modest sum. We don't have expensive persons to go in; we train our own superintendent, and if he gets increased business, perhaps you can increase his income. We have asked them to stay out of court and stay out of commercial supervision wherever it is humanly possible, because if there is any one thing that will destroy them quicker than any other, it is to be taken under the wing of public utilities and the various commissions in the states, set up as they were originally to protect the public. They have come almost exclusively to be better protectives of the private utilities than have the private utilities themselves. I have discussed this, and I have seen some of them change in six months when they come in protesting that they were out to protect the farmers and in six months they were protecting the companies. I don't know how

it is done; I don't know what kind of air we are living in, but that is their primary purpose, and our primary purpose is to see that we have got good lines and that they are built with as little money as possible, not saddled with extraneous expenses, and that they are given every encouragement and every opportunity to control their own project democratically.

There is another point, and we have got some evidence of it, of two of them today. In the beginning, our lawyers took the position that if we started out with large memberships in these cooperatives, it would be impossible, humanly impossible, to get many of the documents taken care of and many of the legal steps taken promptly, because you would have to have a quorum for this, a quorum for that, and a quorum for something else. On one project they started out with 700 people and never got but 300 people at a meeting over six months, because the weather was bad, or the roads were bad, or something of that sort. They said all they wanted was a few incorporators, and as soon as the enterprise was increased, then they could take in membership and the membership could elect officers at the next annual meeting. But I discovered to my very great amazement in several cases that the lawyers had accepted three incorporators, in many cases almost never more than seven, and after they had got the money and had got the project started, they looked upon it, if you please, as their own personal property and had no desire to take in any membership at all. They were getting along very nicely and some of them came in and protested to me that if we would let them operate this property for three years, they would then be willing to turn it over to the membership that would be organized. Well, we haven't permitted any such thing whatsoever. We have insisted that a membership meeting be held and that the members elect their own directors, with the result today that almost all of the original directors are voted out because they have, in the meantime, developed so much antagonism in the community and developed so little confidence in

their public spirit that the people themselves find it out and take care of it.

Now, this democratic control of the business is operating. Two elections this week have voted out directors who have taken that attitude and voted in new directors who, we hope, will be responsible for those people. We feel secure in a loan after a membership election has taken place and after the directors who are representing the people are actually chosen by them rather than self-appointed.

In some cases it is true that the people who originated the project have given a great deal of their time and a great deal of their effort and some of their own money to its development. Usually those people are recognized in the community for what they did and are retained when the election comes. It is the person who, perhaps, was ready to go into the wiring business, or something of that kind, or set up a little separate appliance business and saw here an opportunity to get a large sum of money from a beneficent Government for his own private use and exploitation.

Well, the next step is this business of rates. I will take just a minute on rates. I would rather this not be made public. In the beginning, a good many of the utilities refused to quote wholesale rates at all. They were opposed to any other program that would interfere with their own monopoly, even though the statute provides that these new lines may not take customers away from existing companies. They don't like anybody in the territory. They don't like competition. It is a monopolistic business and it has been handled as such, as you know, during our lifetime. When our projects came in they didn't want rates.

When they did quote them, they quoted a high rate of $2\frac{1}{4}$ cents a kilowatt hour wholesale. It was wholly impossible for these projects to survive with any such rates as that. Therefore we began driving for lower rates and we are getting lower rates. Some of these projects are still saddled with the high rates that governed at the beginning, because it was a question of whether the project should die or the Administrator who permits the payment of a rate which he believes to be excessive. But we began driving hard a year ago on this. I didn't quite agree with Mr. Cooke. Mr. Cooke took the turn of mind that time would change these rates, that public opinion would change these rates, the commissions would be more responsive to public interest coming into power and being appointed, and the rates would come down. I said, "This is too slow. We wait too long." In the meantime we have these farmers paying out a great deal of money unnecessarily to utilities, that if we take the rates that the farmers are paying today for wholesale energy and compare them with the rates they were paying, and extend those on the basis of total kilowatt hours used in all the projects throughout the United States, the farmers today are paying a little less than one million dollars a year today for their wholesale energy than they would have paid if we had not made this fight.

Now, we had no other pressure than just our own determination that we should not allow the farmers to be exploited. Many of them don't know they were being exploited. They don't know about rates. Even some of the farm organizations were helpless. When we asked them to go with us

to the commissions, they said they couldn't and their lawyers advised them not to. In those cases we have got hundreds of dollars' worth of reductions for them. The fact is, people don't know what can be done sometimes.

Now, the next thing is the question of pay off. We realize and everybody realizes that these lines will not pay unless farm families use electricity intelligently and, if you please, abundantly, and inasmuch as there are millions of farms in the United States without electricity, we feel that those who do have it will appreciate it to the extent of getting out of its use all of the economic value that they possibly can and all of the social value that they possibly can, and it is our business to help them with the techniques, and we do that by having in our organization a utilization committee, or, as we sometimes say, a low building crew, made up of agricultural engineers, home economists who are specialists in the use of electricity and work with the projects.

Now we, with our small appropriation, can never hope to cover the country completely or to go back frequently enough to these various projects to work with all of the individuals as they want to be worked with. We can only hope that we will inspire the Extension Service people, the county agents, and everyone else, to render the service along the lines of abundant and intelligent use of electricity that they render in all the other fields of their activity.

Now, we realize that this is throwing a very considerable burden on the Extension Service. In fact, every new advance in science does

that, and as I read my history of the Extension Service, it has always risen to its new responsibilities and sometimes even reached out for opportunities that were not immediately part of their responsibilities, and I take it that is what will happen with respect to this whole field of electricity.

Now, I suppose almost all of you were born on a farm. If one isn't, he says he is and he boasts about it. You know, I am just a country boy; we are all country boys.

I think this is perfectly clear, that this business of electricity on the farm is here to stay and it is going to spread. I have said that to some of these utility companies. There are still some of them that are pretty resistant to this spread of electricity when they are not spreading it, and they are spreading a little more than they were and twice as much as we are, about twenty times as much as they were two or three years ago. But I said to them they might as well make up their minds that it is here to stay and farmers are going to have electricity. Farmers find a way, as you know, to get farm bills passed and to keep the Department of Agriculture going and to see that appropriations come through for essentials, the things they call essentials, and I think they will continue to do it. I don't look for any, what shall I say, I don't mean interruption of the program, perhaps, but the program won't be stopped. Electricity is going to be taken to farmers here, there, and everywhere.

Now, as a matter of fact, many things are happening, too, under our eyes and under yours. People are better satisfied with electricity than they thought they were going to be and better satisfied than we

thought they were going to be. The uses are increasing more rapidly than we thought they would in some places and not as rapidly in other places as we thought they would. That is natural, too. We don't know sometimes what the potentialities are. But that is where we are.

Now the Congress has passed the statute. It has appropriated some funds, not a great deal of money; altogether at the present time about 80 million dollars, but this year's appropriation is on the lap of the gods, if there is a lap of the gods, but there will probably be some money available. All of this year's money is allotted or earmarked, about three million dollars not allotted but that is earmarked, that is all in the works. Even the farmers know they are going to get it when they meet certain conditions. In addition to that, we have 19 million dollars in projects on hand, all of which is just as good as what we loan money for, in fact, more demand on hand now than we have had money for since the Act was passed. That gives you an idea of the pressure that is on us and how many letters we have to write saying we are sorry we have no more money this year and don't know when we are going to have the money. They are going to bother you, they are going to bother us, and they are going to bother their Congressman. They can always write a letter to each Senator, a letter to their Congressman, one to the Department of Agriculture, one to the Department of Labor, one to the President, and one to ourselves. We get them all together and answer them.

Now that is what R.E.A. is, what we are trying to do with it. It is a very human thing. I don't like to say that I don't know whether

Mr. Montgomery or Mr. whom I see here and hope will answer some questions, will agree with this, but I think the relationships between our people, our field people, all of them as well as our people, I mean your people and the farm people, between our headquarters people and the farm people, the relationships are such as to inspire great confidence in human nature. I have seen any number of intimate friendships develop between our people who go into the field and the people that they meet out there. They get letters from them. We get letters about them saying how glad they were to have them. A fellow sent me some pecans from somewhere the other day. I don't like to get anything of that sort because it costs too much to send it back. You don't know what to do with it and you hate to throw it away. But a fellow brought a deer down here and insisted on bringing it down. Sixty people went out to this luncheon where the deer was served. I said to this fellow, "If you are bribing the Administrator, I am glad you are doing it in the presence of sixty other people, and if you are bribing them I am glad it is in my presence. We like this deer but you are not going to get a penny of money you are not entitled to." But it is the kind of thing you just can't help. Those human relationships have something to do ultimately with the result of any enterprise. Somebody said here that wherever our people or your people know intimately the people in the state, they get along with them, and where they are strangers they don't get along with them.

I should like to say this, and this applies to us particularly, it may apply to you, I think we can't afford to be strangers in any

community which we visit or in any office that we have business in. We can't afford to be strangers. We just can't afford to be too cold and too formal, all this business of bowing like the Japanese. I was host to a party of some twenty Japanese who visited this country some years ago. I was in Chicago, the president of a managing society out there. These people were sent to us to be shown around industrial plants all over the city. I came to know them pretty well, seeing them through the day, eating dinner with them, had tea with them. They were talking about efficiency. Every time they did anything they bowed three times. I said to one fellow, Wayno was his name, "Wayno, with all your efficiency, I wonder why you haven't cut out two of those bows you make," so I will cut out all of mine. Thank you.

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THE RESPONSIBILITY OF THE EXTENSION
SERVICE IN RELATION TO A NATIONAL
FARM PROGRAM.

By Reuben Brigham.

ADDRESS BY REUBEN BRIGHAM, ASSISTANT DIRECTOR OF EXTENSION,

BEFORE THE EXTENSION STAFF CONFERENCE,

11:30 A.M., DECEMBER 16, 1937,

ROOM 1039, SOUTH BUILDING, DEPARTMENT OF AGRICULTURE.

Director Warburton, members of the staff: The topic which has been assigned to me it seems to me has been pretty well answered as the result of these committee reports this morning. Director Warburton suggested a moment ago that I had some responsibility in connection with the shape that this program took. I feel myself that any suggestion that I made was a very minor contribution compared to the way in which the program has developed this week, and the way in which the chairmen of the various committees and the sub-chairmen have explored the possibilities of this type of program and brought to us from our own group here, and of course everybody here contributed in one form or another to these various reports, brought us something which I believe does go a long way toward answering this question of the responsibility of the Extension Service in relation to a national program.

We have covered a very broad field. I think it rather overwhelms us when we sit through two or three hours here, and get all the angles that were presented, the various aspects of the activities and all the things that were involved. On the other hand, I believe that this is one of the things we need from time to time to go over rather thoroughly and get into our minds. I know from my own standpoint that it is very helpful to me, more helpful than any conference in giving me some conception of the breadth of the field in which we operate. It also had this additional advantage--that it has brought us all together. I know from time to time we hear a lot of this "pouring on" process. I think we put into effect this week an approach to this field into which each of us put some contribution, and out of which I hope each of us got something that will be of real value and help in connection with our work during the coming year.

While the reports were being made this morning I jotted down some of the things that I believe we have gotten out of this conference. First is the question, "What are the major problems of agriculture?" and possibly I should say, "farm life", because when we speak of "agriculture" we really speak of every aspect of the agricultural picture--the farm and the home and youth and all parts of it, and I believe that there have been suggestions in practically every report to apply to almost every field of activity with which every one of us is concerned.

Well, after we took up the major problems and had them presented to us, the next question answered was, "How are the problems being met?" That brought the whole picture into more proper relationship according to my mind; that is, instead of discussing this agency or that agency as a special thing, we were considering it from the standpoint of what contribution it was making to certain problems that we are all confronted with.

Then the third question was, "What contribution can the Extension Service make to this effort?" I believe these reports have certainly clarified our thinking in regard to where we fit into the picture. What contribution are we making that Extension can take care of that this agency or that agency cannot do? Then it finally boils down, possibly more clearly than we can bring out in a general conference, that is, what contribution can each one of us make? That, of course, is going to be pretty vital to us in planning our work and in going into the field this year and trying to contribute our particular part to the solution of these major problems.

From time to time in the field I think we have run into this feeling on the part of our people in extension--that they wondered just what the whole thing was about. There has been so much confusion, so much drive in this

direction in the last several years that there has been great need for some clarification and some presentation of what it is all about, and now if we have gotten out of this conference what it is all about so that we go into the field and contact people in our own lines or in other lines, it seems to me that we can clear up a lot of the confusion in the minds of those who have not had the opportunity to get the broad field that we have. I think you realize the opportunity in having before us these people who are concerned in these activities and who have endeavored, each in his own fashion, to clear up the picture for us. Then as we go into the field, I hope that this conference has given us some help in aiding those who are in the same particular line of work as we are to do a more definite job, and one which is more tied in to the whole picture. Now if those questions have been in a measure answered, the conference certainly has been a success.

In connection with the national farm program, the first question maybe that arises in our mind is, "Have we a national farm program, or have we just a conglomeration of various problems and various attacks on these problems?" To me personally, the situation cleared up a lot in the early fall when the Agricultural Adjustment Administration brought to Washington representatives from every State in the Union for a final round-up in relation to that program. At that particular time the Secretary made a statement which I believe has given us in extension an opportunity, a real opportunity of our own and not one that is dependent on this agency or that agency, or this activity or that activity. He pointed out that over the last several years we had been setting up various agencies to do particular pieces of work, and we had been thinking in terms of this emergency and that

emergency, and what was being done in relation to it by this agency or that agency. And he said that he believed the time had come for setting up a national program, one that took in and put in their proper place all of the various methods which we were using to meet the various problems, and a program that brought together in one coordinated whole the national picture and put in its proper place each of the contributions to the meeting of national problems. He also threw out the thought that this national farm program would be a considerable time in the making, but after all, whatever we had today or tomorrow or a year from now would be rather crude compared to what we would eventually hope to have in the way of a thorough-going and well-rounded farm program. Of course he used the old analogy that some of us have used ourselves--he compared the early type of automobile to what we have today. The only thing I want to suggest in this connection is that whenever anybody talks of working this machinery out and working out this program in a matter of two or three years, I think they are making a big mistake. I think it is a lifetime job for most of us here, and it is our job to make a contribution toward building that machine and that farm program. We cannot move much faster with such a complex problem, as this certainly cannot move any faster than we can work out the mechanism such as the automobile. It is easily conceivable that it is going to take, with the type of start we have now, a long period of 25, possibly 30 years, to get to the point where we have something comparable to the automobile of today. I am not trying to say this in the way of discouragement; I think we should realize that it is a long road ahead of us, not something we are going to develop and then be on ice for the rest of our days, because I think we are going to travel through

the wilderness a long time. Well and good. But we are the ones that are going to bear the experience of going through the period of abundance.

In a talk that the Secretary made at meetings that were held last summer at Cheyenne and Salt Lake City, and I heard him give the same type of talk before the National Farm Bureau in Chicago this week, he laid stress on the things in relation to a national farm program which would appeal not only to farm people, but also to the public generally. I think you have noted within the last few months there has been increased emphasis on the part of the Secretary and our forces here on the necessity of gaining and holding popular support for any kind of a program which we develop. I want to go into, just briefly, the various things that were suggested in that relation.

One of them is a fair share of the national income. I am not going to discuss these items in detail because you have probably all heard the Secretary or read his addresses, but I want to point out that these points that he discussed are covered in some fashion in our discussions this week. Whatever we have developed is thoroughly in line with the Secretary's conception of a farm program that will have popular appeal and that will be regarded as an essential part of the national economy, considered a fair share of the national income.

Then the question of stabilization, of the ever-normal granary, setting this thing on a stable basis; and then the question of conservation of soil resources and other resources. Then the question of farm ownership, and in reverse, farm tenancy and the attack that is being made along that line. We explored pretty thoroughly the financial and economic aspects of that and also we touched on the social aspects of that, the things that we

will have to consider in working out a farm ownership policy that will make its contribution to these larger problems that we have discussed of farm income, of conservation of resources, and of farm living standards that are of the highest order.

Then he stresses the family-sized farm from the standpoint of what it can mean, if properly developed, to the farm family, and also the source it is to the city of man power and woman power in carrying on the national business.

Then of course we have efficiency in production. That was discussed this week. That is something that a good many people have not credited us in the past few years with giving as much thought to as we should. But that is a major policy, and one that we are already in line with.

And finally, another point was the question of marketing, and particularly cooperative marketing of a sound nature. So you will see that these points that have been discussed repeatedly by the Secretary in these last few months are the beginnings of a national program and one that will have widespread appeal and very much according to the terms of the discussion this week.

Now, in the relation to the development of the national program, two things have been stressed in that relation by the Secretary. One of them is the question of getting to our farm people a full understanding of what is involved. There is no need for me to go into that. That is a field that has been very amply touched on in the conference this morning and one which we should be fully equipped to carry on. Then the other one is the question of setting up machinery in which the farmers themselves will participate and

which will involve them to an extent that whatever program we have will have their full support and sympathy, and one for which they will feel definite responsibility.

Now, in relation to both this question of giving out a better understanding and this question of building up farmer participation, I don't think anybody will question for a moment that in building up a national program on the basis of understanding and farmer participation, there can be no more potent force than the Extension Service.

If any group of men and women is equipped to give better assistance in presenting these facts and to aid farmers in taking their part in any phase of a national program that may be developed, the Extension Service certainly has the training, the experience, and the contacts of long standing to do this job thoroughly. I believe that is something the Secretary himself fully recognizes.

Now, I want to touch very briefly on one or two other things which are involved in the building of a national program. I think that we can well emphasize in all the contacts we make during the coming year the thought that after all, the Extension Service, and in the county the county extension agent, man or woman, is ideally situated to be the key person in setting up receptivity on the part of farm people for the development of a national farm program and in helping them to make their contribution, not only in applying whatever is brought to them to their own particular conditions, but in bringing back to the state and national government suggestions which will go toward developing a sound program.

Now, I think we have had in our discussion some reference to the question of local surveys. I think we are going through an era, without any question, when a survey of local conditions, a survey in which the local people will take part and in which the extension agents will certainly furnish the leadership and the drive to give such action, will be very much in the picture. Now, the various agencies have brought to us the things that they are looking into more thoroughly, and the field is broad. It has its physical aspects, it has its

economic aspects, it has its social aspects. I was particularly impressed by the talk made by Dr. Taylor. I think we are going to realize more and more as time goes on that we must take into account the social and economic aspects of all our activities. Now, if we can take the body of fact and research in the development of the survey idea that has come about in the past few years and combine it with the progress that we have previously made and have been making in the last few years in a steady and correlated farm and home program, I think we will be able to go a long way forward in getting these local people and people of every county in a position to appreciate the situation that they have themselves and to take advantage of every contribution that can be made to it.

Then, the next field that has been touched on and emphasized is that of program making. That is certainly a field in which our experience and our contacts should enable us to furnish the assistance and aid that the local people require in formulating a program that will particularly meet their needs, because we are certainly getting beyond a period when any national program can be worked out and carried out and imposed on any state and county, but what we are thinking of in terms all through the Department is setting up facilities and machinery to fit these things, whether progress activity or a part of the national program, to the particular needs and requirements of the local people, and, as someone stated in one of these reports, the program making function will certainly loom large and it is opening the way of an even wider opportunity for us in Extension work.

Then I want to touch just briefly on this question of immediate effort that we can make in the line of bringing our people into a state of preparedness for the development of a national farm program. We want to make surveys as we have the facilities and time; we want to make programs as we have facilities and time, but right now I believe in every county the Extension agents can serve as the coordinating agencies for bringing together in that county everything that is being done in relation to agriculture. I know the question will come, as it did in the meeting of county agents out in Chicago that I attended. They said, "Well, now, are we given authority to do this?" I think they have been given the best authority in the world when they have the authority of their local people. Their responsibility is to get together everything that will be of use to them, but they can't begin to accomplish that purpose unless they set the wheels into motion and set up the machinery in the county that will bring together everything that can be made to prevent lack of understanding on the part of the local people, all of it to be brought together in the way of Government information and service.

I think we have two functions there out in the counties. One is to bring to the people and have them understand what the various agencies can give them and to see that these things are not attempted or taken advantage of that in the end will not net any profitable results. The other thing is that every contribution the Extension Service itself can make through its specialists and through its various functions is brought together in a coordinated way, related to all other parts of the activity.

I got one thing out of a conference we had not long ago of Extension directors. They were discussing this question of relationship and we had gone all around the circle and back again and were starting on the second lap. One director got up and said, "Well, after all this discussion, I have come to the conclusion that as far as I am concerned, as State director I am supposed to meet every agency and every activity and every program at the state line with my boots on." Now, what he meant was that he had to protect himself, but I think the significance in that remark applies to the program that we are entering into, so that in every county and every state the people of the county and state are in a state of preparedness through whatever surveys and suggestion, so that when anything comes there they know what they can do with it, how they can use it, and it is not a blind acceptance of what is brought there. I believe that thought of meeting the situation locally with our boots on is something that is going to gain more headway during the coming months.

Now, in bringing this discussion to a close, I realize that I have probably covered a lot of ground that we have heard discussed in a good many ways, but I can not forbear from suggesting and repeating the thought I had a little while ago, that, after all, we must think of things in terms of a very long-time program, one that really will extend beyond our own usefulness and our own lives without much question. I have always thought that the statement made by James J. Hill, about thirty years ago, was one of the most significant statements we ever had in the way of an ideal to work toward, from the standpoint of the country as a whole. He said the highest conception of a duty was that it is a trustee for posterity, a

trustee for posterity.

I believe that although we must deal soundly and very practically with certain problems that the people in the field are up against today, that we need to keep a concept of that sort in our minds and to realize that, after all, beyond meeting routine agricultural problems and doing routine extension work, we have a responsibility to the nation as a whole and to civilization as a whole, that we can not forget. The Secretary, in his statement yesterday, I thought in a very happy way presented certain points that are involved in any approach that we may make, when he touched on the fact that things that we required were enthusiasm, insight, and facts. Now, I assume that during this past week we have had an abundance of fact. I certainly think we have had. It is just a question of how we can translate these facts so that they will be of use in the field and of assistance in the field. I think when we stop to think of the many thousands of people we have in extension work all over the country and realize the extent to which we reach and the influence we have, that we have a very grave responsibility in this matter of being able to assimilate these facts, and then, as we have this week, get insight into these facts and their meaning. Now, if this conference has given us that, or in some measure has given us that, it certainly ought to make us tremendously more useful during the coming year. I was rather surprised that the Secretary, or anybody else, should raise the question of enthusiasm on the part of Extension Service. I thought that was something that we always had all kinds of. The question was raised as to whether we always had good judgment on all we were enthused about, but if

enthusiasm is what is wanted, I think we have what it takes.

I think if we can leave this conference with the thought that during the coming year we have a very definite mission to do in any specialized field in which each one of us might operate, that is to carry into the field as complete and big a picture of the problems involved and to carry to the field and to the people we come in contact with some conception of what contribution the Extension Service is making to this large effort and this state effort, and, finally, if we can really give to every person in the state with whom we contact a general and practical conception of the part that he can play in the whole picture and not how much he can do in the way of a solo effort, because after all our whole work is founded on the thought of cooperation and coordination, I really believe that the Washington office here can make during the next two or three years certainly a tremendous contribution if we can get our own people to realize the full import of the job that we are undertaking in building a national farm program.

REPORT OF COMMITTEE ON
FUNDAMENTAL FACTORS IN EFFECTIVE FARM FAMILY LIVING.

Gladys Gallup, Chairman

REPORT OF COMMITTEE ON
FUNDAMENTAL FACTORS IN EFFECTIVE FARM FAMILY LIVING*

Thursday, December 16 - Extension Staff Conference

Coordinated report of discussion subcommittees on:

Viewpoint Toward Family Life.
Financial Planning for Family Living.
Contributions to Family Living Through:
Social Security, Consumer Education,
and Rural Electrification.

This committee presents a coordinated report of the discussion subcommittees on Fundamental Factors in Effective Farm-Family Living.

Because this report is necessarily based on the scheduled talks and the brief discussions which followed them, the committee has formulated this report, based upon further study of the material presented at the Extension Staff Conference, December 16, including definite recommendations as to the ways by which this report can be made of use to extension workers.

The individual reports of the discussion subcommittees have carefully outlined situations, problems, methods, and procedures to be followed, in the 1938 extension program. In many cases these individual reports follow outlines suggested by speakers. Since we understand that the subcommittee reports are to be made available, we have in this report, for the most part, confined ourselves to problems and recommendations.

We have considered, first, a viewpoint toward family life and proceeded on the basis of contributions to family living through financial planning, security, intelligent buying, and modernization.

Members of the discussion subcommittee on the Viewpoint Toward Family Life, Mrs. Malcolm, Mrs. Lynde, Mr. Lloyd, and Mr. Hanson, have prepared an excellent preamble to their report which may serve as an introduction to the coordinated report, and have given us a definition of the family objective in the development of extension, which provides us with a viewpoint of the family approach in extension work. The following statements are taken from their report:

"There are certain trends in rural life that are bringing new pressures on family-living patterns. Every new method, all new equipment in the home or on the farm, added livestock and acreage, require adjustment in these patterns. Among the new pressures are the trends to commercialize farming, to enter into cooperatives, and the many new demands upon farm income. Where farm income in the past was used for the farm

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family, competitive spending exists now more acutely--growing out of the farmer's interest in modern methods and equipment, the farm woman's increased interest in home development, and the desires of the individual members. Some of these spending urges have grown out of our effective extension teaching. In addition to these pressures are those that come from community development which broaden life but often sap energy. Not realizing wherein their difficulties really lie, farm families struggle to hold old visions of 'harmony and happiness.'

"If the Extension Service has as its basic purpose the advancement of rural life, it must recognize the structure of relationships in the family and ascertain what effect each bit of teaching has upon that structure. It is not enough to teach better methods. We must also teach the family how to adjust its patterns of living to those methods. We need, in addition, to find every possible means whereby we can help the rural family to relieve tensions produced by modern situations. Notwithstanding the importance of farm income, due consideration should be given rural family well-being and happiness. The family objective should be the guiding principle in the development of the entire extension program.

"By family objective in the development of extension, we mean that each part, whether in the field of agriculture or in the home, and whether with adults or with young people, should be developed so as to maintain the immediate advance of the individuals or group, and at the same time opportunity should be afforded for developing the interrelation of the farm, home, and family.

"Illustration. - Agronomy may have as its immediate objective the conservation of the soil--the maintenance of fertility--but it has also a family objective, the perpetuity of the farm itself, the maintenance of a higher standard of income, and better work relationships. Nutrition may have as its immediate objective the production, conservation, and utilization of better qualities of food, but it has also the family objective of health and family satisfaction and better work relationships. In 4-H club work among boys and girls the immediate objective may be the growing of improved varieties of fruits and vegetables, the raising of a better cow, or beautifying home grounds, but it also has a family value in creating in the minds of the young people a desire for a better home life and a better understanding of cooperative effort which integrates the family.

"Recommendations. - Advancement along these lines requires that all extension workers be given opportunity to shape their plans of work toward this end. They need enthusiasm, insight, and data on family relationship-structure and the effects of their particular subject-matter upon it.

"To attain these objectives requires planning so that all extension agents now in service may have through conferences, short courses, and special training schools, an opportunity to add to their knowledge the more recent understandings in human relationships and social forces as they affect farm-family life.

"Colleges should be encouraged to include in their curriculums special courses for prospective extension workers, and to incorporate these understandings in preparing material for programs for such meetings as farm and home week.

"More emphasis to the family objectives should be given by the specialists who provide illustrative material.

"Greater use is recommended of discussion groups and home-circle reading in this field.

"Tours and observations, and achievement-day programs should show achievements in better family relationships as well as material gains.

"The various specialists in family relationships, however termed, can help other extension workers in integrating their programs with the family objectives, likewise the extension workers in all fields can help the specialists in family relationships in their particular projects.

"Dr. Day Monroe in her talk has shown us how financial planning contributes to effective farm-family living. She stated that the family-economics division of the Bureau of Home Economics works toward helping families to obtain a better understanding of their own economic problems and to use this understanding to bring about more satisfying family living."

The discussion subcommittee on Financial Planning for Family Living, Mr. Merritt, Mr. Vaughan, Mr. Joy, and Miss Gallup, stated in their report that the Bureau of Home Economics has obtained much new information on consumption by farm families during the past 2 years. This information should be coordinated with production information in farm-family planning. This committee has suggested that:

"A. In order to bring about a better coordination, the extension worker should recognize that -

- (1) There is a need for a better understanding of the family goals and objective - through discussion by all members of the family.
- (2) By helping the family by means of a plan to make more effective use of their resources so that they may attain more of the satisfactions which they desire.

- (3) An understanding of production, returns, and expenditures for both the farm and the home is necessary in planning for either of them.
- B. In order to assist the farm families in financial planning the extension worker should:
- (1) Assist the farm family in techniques, in discussing its goals, in meeting its difficulties, and in discovering ways of solving these problems.
 - (2) Assist the farm family in techniques, in evaluating their labor, land, and money resources from the point of view of both the farm and the home.
 - (3) Assist the farm family in organizing these resources according to a financial plan that will help them attain these goals.
 - (4) Encourage the keeping of farm and home records that will help the farm families to make sound decisions.
- C. These plans cannot succeed without a thorough understanding of the financial plans for the family as a whole, by all members of the staff both at the colleges and in the counties. In the counties home demonstration agents and county agents have equal responsibility for this project."

Out of the problems relating to family financial planning as discussed by Mr. John J. Riggle, of the Farm Security Administration, comes a recommendation of certain services that the present extension staff can render.

"A. Problems:

- (1) Among people concerned with the Farm Security Administration are farm families who are unable to obtain credit through the Farm Credit or other Credit Agencies.
- (2) The granting of this credit is characterized by closer than normal supervision.
- (3) This supervision is found to be impossible without a plan for both production and consumption. The important item in the plan is the use of family labor, both for production of family supply and for production for sale.
- (4) The development of effective plans of the farm family and the rehabilitation supervisors depends in part upon the use of basic information known to the county extension workers and to the Land-Grant Colleges.

- (5) The formulation and execution of the plan involves consideration of the inclination and ability of each family to respond to supervision. This may involve reorientation of the family's standards of living and ambitions.

B. Services that the present extension staff can render:

- (1) To make available to the Farm Security personnel through conferences basic information and knowledge of local production and management, information and procedures that have proved successful within the county.
- (2) To make available through conferences knowledge of traits and performances of families that apply for credit.
- (3) To assist rehabilitation families to establish themselves in community activities and social life by encouraging them to become a part of the extension and other community and local organization.

C. Out of these conferences the extension workers can:

- (1) Learn the techniques and problems involved in family financial planning.
- (2) Realize that the plan is applicable to all families in the county and should form the background for their recommendations to those with whom they come in contact.

D. Agencies other than Extension and Farm Security that work with rural families on financial planning are:

- (1) Soil Conservation Service.
- (2) Farm Credit Administration.
- (3) Rural Electrification Administration.
- (4) Agricultural Adjustment Administration."

Each agency, Farm Security Administration, Social Security Administration, Consumer's Counsel, and Rural Electrification Administration requested understanding and cooperation in interpreting its program to the rural people. Each agency explained how its particular program is planned to meet rural needs and how much of each program aims to protect the family. This was brought out particularly by Miss Engle in her talk on social security when she discussed child-welfare services, maternity and infancy, and assistance to the needy, blind, and aged.

The discussion subcommittee on Social Security, Miss Gardner, Mr. Mattoon, and Mr. Baker, have suggested that the Extension Service may assist the Social Security Administration by -

- "A. Understanding the program so thoroughly that the extension staff can assist it in interpreting its services to rural people.
- B. Reporting cases and cooperating in other ways with the Social Security workers.
- C. Including a discussion of Social Security services in community and club programs.
- D. Requesting members of the Social Security Staff to assist on farm home extension programs."

In Consumer Education the committee, Miss Frysinger, Dr. Ockey, and Mr. Wintermeyer, stated that they accept the definition of the objective of consumer education as set up by the Consumer's Counsel of the A.A.A., viz:

"The education of all people in the intelligent selection and wise use of the goods and services they need for everyday living."

This committee suggested important problems, available services, and recommendations for the extension program on consumer education.

"Problems:

The most important problems in this field appear to be -

- (1) The lack of widespread recognition of the importance of consumer education for all people.
- (2) The limited amount of adequate and reliable factual information and services in the field of consumer education.
- (3) The need for development of standards for ultimate consumer goods.
- (4) Inadequate understanding between farmer and city consumer groups and between marketing and consumer cooperatives.
- (5) The danger of consumer organizations' becoming the tool of commercial associations and becoming pressure groups in behalf of special trade interests.

"Available services:

Available services in the field of consumer education include -

- (1) Federal consumer agencies -
 - a. Consumers' Counsel, A.A.A.
 - b. Consumers' Counsel, Bituminous Coal Commission.
 - c. Consumers' Project of the U. S. Department of Labor.
- (2) Consumer divisions set up by States and cities.
- (3) Consumer organizations working for the improvement of labor standards and working conditions.
- (4) Consumer organizations developed by business associations.
- (5) Testing and rating agencies for consumer goods."

Because consumer education is a new field of education, the committee wishes to call attention to the need for careful appraisal of the accuracy and usefulness of the information disseminated by these agencies and of the value of their activities.

The committee also wishes to call attention to five types of services available from the Consumers' Counsel Division of the A.A.A. -

- "1. Consumers' Guide.
2. General publications including one on consumer education and organization and a new series of study outlines for consumer groups.
3. Weekly radio "Consumer Time."
4. Bibliography "Commodity Buying and Related Consumer Problems."
5. A file of commodity pamphlets and other consumer-education materials.

"Recommendations for the extension program on consumer education.

1. Keep ourselves abreast of the times regarding information and services available in the field of consumer education. Disseminate these facts to members of the extension staffs in several States.
2. Stress the dual role of all persons, as both producers and consumers but recognize that each person has a major interest in one or the other of these groups.

3. Acquaint rural people with available facts regarding the levels in purchasing power and habits of the various consumer groups, and the bearing that these facts should have in formulating an efficient and well-balanced production program.
4. Stimulate interest in and use of unbiased authoritative information by farm people in order to make them more efficient consumers.
5. Emphasize the necessity for developing a demand for standards for all consumer goods and for grades and labels which are truly explanatory of quality and workmanship.
6. Give consideration to, and disseminate information regarding the advantages and disadvantages of the various types of consumer organizations for farm people."

The committee on Rural Electrification, Miss Warren, Mr. Lyle, Mr. Knaus, and Dr. Haskell, stated that electrification typifies the desire of farm families for modernization. After hearing the talk given by Mr. J. M. Carmody, Administrator of the Rural Electrification Administration, and after hearing many speakers during this conference emphasize the low incomes of farm families, we are interested in the report of this committee. This committee stated:

"Of the six and one-half million farms with occupied dwellings, 1,138,335 are supplied with rural electric-line service--17.5 percent in all. The Edison Electric Institute reported over 126,000 new rural electric customers last year, and county extension statistical reports showed assistance had been rendered in planning rural electrification for nearly 125,000 farm families. During the first half of 1937 nearly 120,000 new customers of rural electricity were connected with line service.

"The Rural Electrification Administration is an independent agency created by an act of Congress to expand the use of electricity in rural areas. Its chief function is the lending of funds for line construction and for the installation on consumers' premises of wiring and of electrical and plumbing appliances. About \$80,000,000 has been loaned to date to 350 projects located in 40 States. Almost \$65,000,000 of this amount has been loaned to 281 Rural Electrification Cooperatives. Power companies, power districts, and municipalities have also received R.E.A. loans for the extension of rural electric lines. Additional requests for loan allotments exceed those already made, but must await congressional approval of funds for loans. The act provides for a total of \$410,000,000 for loans during the 10-year period from July 1, 1936, to June 30, 1946. Additional information on the program and its progress may be obtained from the R.E.A. Guide and other publications of the Rural Electrification Administration.

"Problems of the Rural Electrification Administration of interest to Extension workers.

1. Commercial opposition.
2. Economic limitations with respect to -
 - a. Cost of electrical service.
 - b. Ability of prospective consumers to pay.
3. Departure from established systems of organization, financing, construction, and service.
4. Need for greater consumption to build up adequate load.
5. Need for adequate wiring to accommodate increasing consumption.
6. Need for adequate number of competent electricians and plumbers to make installations.
7. Need for inspection of installations.
8. Financial relationships with the cooperatives.

"Extension considerations.

Electrification brings urban home comforts and liberates farm women, men, and children from arduous and disagreeable chores. It can be harnessed to income-producing work and the costs under efficient management are not out of reach of a large and enthusiastic percentage of American farm families. The health, comfort, and convenience values may be approximately appraised, but the most important extension consideration is a sympathetic understanding of the impelling urge of farm families for electrical service, and its long-time influence on rural social and cultural values.

"Ability to pay deserves and will require more consideration from extension workers than mere inquiry into present incomes. A new farm and home program is involved in which electricity may contribute to income on many farms, and may save cash expenditures on many more.

"The Extension Service can promote rural electrification by:

1. Cooperating with R. E. A., the utilities, and other organizations in assisting farm people to obtain economical rural electric service.
2. Assisting farm people to obtain reliable information regarding:
 - a. Advantages of electricity on the farm and in the home.
 - b. Costs, savings, and returns of electric service.
 - c. Availability of line service.
 - d. Planning of installations.
 - e. Utilization of electricity and electrical equipment.
 - f. Inclusion of rural electric utilization in farm and home management plans.
3. Cooperating with dealers and contractors in making available suitable goods and services.

"In this report the committee has confined its recommendations to rural electrification from line service, but it is mindful of the large number of farm people for whom such service is not at present available."

Farm Family Living Committees

Miss Gladys Gallup
Mrs. Ola Powell Malcolm
Mrs. Lydia Lynde
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REPORT OF COMMITTEE ON FARM INCOME AND BUYING POWER

H. M. Dixon, General Chairman

REPORT OF COMMITTEE ON FARM INCOME AND BUYING POWER

H. M. Dixon - General Chairman

I. Problems in Obtaining the Best Use of Land

Subcommittee A, C. A. Sheffield, Chairman

II. Problems in Adjusting Supply to Demand

Subcommittee B, M. C. Wilson, Chairman

III. Problems in Securing Greater Efficiency

Subcommittee C, H. W. Gilbertson, Chairman

REPORT OF SUBCOMMITTEE A

Improving Farm Income and Buying Power Through Land Use Phases

I. What are the land use problems?

- A. A considerable percentage of our farm population is not obtaining a sufficient income, because of being situated on land unsuited to farming, or are following farming systems not adapted to the area in which they are located with the result that the productive capacity of the land is being destroyed and both current and long-time incomes are being impaired.
- B. Because of the great variations in conditions in the several States of the nation and because of the many misuses of land, land use planning as a part of a national program is basic. There is need also to differentiate the conditions which are social and which must be associated with broad agricultural planning.
- C. A more positive approach to land use planning is needed; such an approach may be had by instituting.
- D. Agricultural planning on a coordinated basis which would be considered authoritative and policy forming in nature (as outlined by the Extension Service recently) should be one of the major jobs of the Extension Service in 1938 and years to come providing the basis for improving farm income and buying power. There are now too many governmental agencies in the field doing planning work independently - coordination is needed to bring about unity.
- E. Education dealing with land use in its various phases is very necessary at this time. One of the main reasons why these maladjustments in land use have come about has been the lack of an adequate educational program dealing with proper land use. Educational programs should consist of improving maladjustments in land use arising from:
 - 1. Depletion of farms with consequent removal to other farms.
 - 2. Lack of a definite profit urge on the part of a large segment of the farm population.
 - 3. Disabilities such as debt and lack of capital to operate the land in an economic manner.
 - 4. Form of land tenure, especially careless use of land by tenants and croppers.
 - 5. Improper settling of farm families over the country.

6. Homestead policies have resulted in the occupancy of farms too small to maintain the soil and give the families an adequate standard of living.
7. Too many people on the land and average size of farms too small for complete dependence on the land itself as a source of income.
8. The development of improper adaptation of type of farming in relation to possibilities of the area.
9. The problem of maintaining agriculture in areas not adapted to agriculture.

II. What Federal agencies are dealing with these problems?

A. Division of Land Economics, BAE.

B. Farm Security Administration.

1. Tenant Purchase Division.

2. Rural Rehabilitation.

3. Retirement and Submarginal Land Division.

C. Soil Conservation Service.

D. Farm Credit Administration.

E. Tennessee Valley Authority.

F. Forest Service.

G. Grazing Division of the Department of the Interior.

H. Reclamation Service " "

I. Biological Survey.

J. Federal and State Experiment Stations and the Extension Service.

K. Agricultural Adjustment Administration.

L. War Department - Engineering Corps Division.

III. What is the Extension Service doing with these problems?

- A. County Agricultural Planning.
- B. Farm and Home Management Extension Work.
- C. General educational activities such as land-use tours, land-use surveys, land-use mapping, etc.
- D. Encouragement of a more stabilized tenure system.
- E. General land rehabilitation and improvement through the several technical processes.
- F. Adjustments in types and systems of farming.

IV. How may the Extension Service use more effectively the programs of Federal agencies?

- A. By developing a better understanding within the Extension Service of the various programs, their functions, their objectives, and their methods of operation and administration.
- B. By participating in the formulation of plans and policies pertaining to such programs.
- C. By assisting in carrying to the people at large a knowledge of the objectives and functions of these programs and why they are desirable.
- D. By capitalizing on the leverage of financial assistance made available through programs of Federal agencies to hasten sound farm adjustments.
- E. By analyzing and appraising the results of the several programs from year to year, carrying these analyses to the various agencies as an aid to them in further improving these programs.
- F. By devising further and more positive ways and means to reach and influence individual farmers to adopt the sound adjustments made possible through such programs.

V. Based on problems listed and contributions to be made by the several Federal agencies, what should the Extension program in land use be in 1938?

- A. Institute agricultural planning in all counties throughout the United States based on land use.
- B. Encourage more land-use mapping to emphasize variations in land use problems by type of farming areas, and to institute adjustments needed.

- C. Develop crop adaptation and rotation programs on individual farms.
- D. Conduct more practical farm and home management demonstrations distributed over entire counties based on such land use principles as type of farming areas, soil types, size of farms, major cash income and size of income rather than trying to maintain agriculture in areas not adapted to agriculture.
- E. Continue to emphasize efficiency in economic production.
- F. Stress finding a more positive approach to getting larger acreages planted to soil building practices and speed up soil erosion control on lands in farms subject to erosion.
- G. Stress more the making of annual plans of work, emphasize programs by type of farming areas within the States and counties.
- H. Stress improving land tenure.
- I. Continue to stress general additional activities as land-use tours and land-use surveys.

Subcommittee: C. D. Lowe
M. P. Jones
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P. V. Kepner
C. A. Sheffield, Chm.

REPORT OF SUBCOMMITTEE B

Improving Farm Income and Buying Power Through Adjusting Supply to Demand

Unquestionably the well-being of both producers and consumers would be better served by a stable production of a supply of food, fiber, and other raw materials from the farm, sufficient to adequately care for immediate consumption needs with a reasonable carry over for safety, to be sold at a price in keeping with the general price level. The problem of adjusting farm production to market demands is not a new one either to farmers or to Extension Service workers.

Additional instrumentalities have been provided in recent years by the Federal Government for dealing with various phases of this problem. The Cooperative Extension Service feels keenly its responsibility for acquainting rural people with these newer approaches and for assisting them to obtain the full benefits from these instruments, and clearly recognizes its obligation to help make effective the various Federal programs for agriculture as they evolve.

Four rather distinct methods of attacking the problem of production adjustment made acute by the collapse of the farm price structure during the depression are being employed by the Federal Government:

- A. Agricultural Conservation which involves the shifting of soil depleting crops to soil conserving and soil building crops.
- B. Ever-Normal Granary and Commodity Loans which facilitate orderly marketing and smooth out extremes of production and price.
- C. Marketing Agreements involving the self-imposed regulation of certain industry groups.
- D. Surplus Commodities Purchase concerned with the protection of markets by removal of commodities from normal channels of trade to relief purposes.

I. Production Goals

The adjustment of production to market demands through the current agricultural conservation program of the A.A.A. involves the setting of National production goals which take into consideration: (1) supply to meet reasonable consumption standards with a margin of safety, (2) supply to care for export demands, (3) supply which will make as small a drain as possible upon soil fertility, and (4) a supply which over a period of years will bring to farmers the largest possible net income. National goals for a commodity are broken down into State and county goals and finally into individual farm goals. The earlier production adjustment programs of the A.A.A. employed the historical base which tended to become unworkable and which promoted the continuance of uneconomic farm management. The national production goal approach makes allowance for production trends and permits adjustments in individual farm goals to obtain more efficient operation of the farm as a business and home unit.

A. Major problems connected with this program:

1. The establishment of National, State, and county production goals by a scientific appraisal of known and anticipated factors.
2. Obtaining acceptance of the goals by farmers and other interested parties following a study of the local situation in terms of good systems of farming and soil conservation.
3. Determining the farm management plan for individual farms, necessitated by the adjustment program, which will at the same time promote conservation of soil fertility.
4. Devising a system of payments which will bring about the desired production and soil conservation.
5. Administration of the program in such a manner as to foster local responsibility for its operation, and keep down overhead costs.

B. Relationship between the Agricultural Conservation program and the Extension Service.

1. From the first production control program of 1933 to date Extension workers throughout the States have played an active and vital part in the conduct of succeeding programs concerned with production adjustment by:
 - a. Transferring bodily to the new program the confidence of farm people developed through years of extension teaching experience.
 - b. Assisting in setting up the necessary field organization to operate the programs.
 - c. Training and supervising local leaders.
 - d. Explaining the program to farmers and obtaining their participation.
 - e. Advising with regard to the operation and conduct of the program.

While many of the administrative procedures connected with the production adjustment program can now be handled by farmer committeemen, there is constant need for general oversight by the Extension representatives of the Federal Department of Agriculture and the Land-Grant colleges who are concerned with the upbuilding of the entire agricultural and home life of counties and communities.

There yet remains a great need for bringing about a more thorough understanding of the agricultural situation, national and international, and the need for cooperative action by farmers in making the required adjustments.

2. The A.A.A. - Extension county planning project has received much attention from both Experiment Station and Extension workers in assembling and analyzing factual material relating to State and county production, including production trends, good systems of farming, soil building practices and the like. Under the guidance of Extension workers large numbers of leading farmers have considered local production possibilities in light of conservation demands. The county planning project contributes to the further development of local agricultural and homemaking programs of the Extension Service. In many States the county planning project, and Extension program planning have been handled most effectively as a single planning enterprise. The necessity for planning in connection with the programs of various other Federal agencies such as Public Roads, Forestry, Farm Security, Wild Life Conservation, Land Utilization, Soil Conservation, Rural Electrification, Farm Credit and Social Security but emphasizes the need for broadening the planning functions to include all programs effective in the county. Because of their acquaintance with local people and conditions and previous experience in program building county Extension workers will inevitably play a leading role in this enlarged planning concept.
3. Inasmuch as the present agricultural conservation program provides an inducement to expedite the adoption of good farming practices long advocated by the Extension Service, every State and county Extension worker should carefully analyze his or her program to insure that full utilization is made of this added facility for promoting good farming along with production adjustment and larger net income.

II. The Ever-Normal Granary and Commodity Loans

The ever-normal granary offers to consumers a reserve of food supplies to provide against short crops, and to producers a protection from disastrously low prices in years of bumper crops. Commodity loans upon crops withheld from the market would enable the producers to secure the cash that would otherwise be obtained from immediate sales, and would tend to yield a larger return from orderly marketing or feeding of the stored crop. Calling the commodity loans as the prices advanced would protect consumers from speculative influences on prices. Thus storage reserves and market prices are intended to be stabilized for mutual benefit to consumers and producers of the principal agricultural products. Stabilization of feed supplies and prices would tend to stabilize meat, dairy, and poultry food reserves and prices. Stabilization of wheat and other food crops would be a stabilizing influence on the general level of food prices.

The ever-normal granary as proposed is supplemental to the agricultural conservation program for assurance against extreme fluctuation of price levels or caused by short or bumper crops.

A. Problems in connection with this program:

The scope of adjustment is extensive, broadly inclusive and complex, but the stabilizing element should simplify the national production and conservation programs by minimizing the effect of a single crop or marketing situation in a continuous plan of adjustment.

The loan levels must be high enough to prevent dumping of commodities on glutted markets, but not high enough to accumulate price destroying reserves or to unduly curtail consumption. Pressure will tend to produce the latter result over a period of years of accumulating reserves as commodity loans are too commonly regarded as a price pegging expedient.

B. Extension responsibilities:

This discussion deals with pending congressional legislation including production adjustments as well as stabilization of agricultural commodity reserves and income. No specific recommendations therefore are appropriate. However, if the ever-normal granary principle is incorporated in the Agricultural Program by legislative enactment, it will become important for Extension workers to inform farm people concerning:

1. The relation of accumulations of storage reserves to production quotas.
2. The relation of loan levels to accumulation of storage reserves in the long look ahead.
3. Kind of storage facilities required for compliance with the commodity loan provisions.

III. Marketing Agreements and Orders

Marketing Agreement programs are for the purpose of increasing prices of certain farm products to parity and stabilizing the purchasing power of producers.

The objective is to be accomplished through control over the handling of particular agricultural products moving in or affected by interstate commerce, by voluntary agreements between the handlers, supplemented by regulation extending the control program over all interstate handlers of the product for a producing area or market. The program must be developed within and by the industry in order that it will meet the problems of the industry and be thoroughly understood by the members of the industry. The programs are, in general, democratically administered by committees of growers and handlers working under a minimum of government control and supervision, and the programs are industry-financed.

A. Principal problems in the development and operation of marketing agreements:

1. Appraising the market situation for a given commodity and determining whether a proposed method of control over interstate commerce would increase net returns to producers and determining what if any method of control would accomplish this objective.
2. Working out the details of a plan in order that it will be practical to administer and in order that it will operate equitably among growers and handlers.
3. Avoiding the development of agreement programs which may effectuate the purpose of the Act but which contain provisions which are designed by the sponsoring group of handlers primarily for the purpose of giving them an advantage over certain competitors.
4. Avoiding types and degrees of control over market supplies and prices which may give immediate benefits to producers but which may precipitate even greater difficulties in the future.
5. Developing and operating an Agreement in such a manner that its purposes, provisions and limitations are thoroughly understood by the producers and handlers who are to be affected by it.
6. Developing programs which are sufficiently flexible to meet the constantly changing conditions in an industry and which within limits may be administered by the industry, yet at the same time keep these operations within the requirements of the law.
7. Obtaining proper coordination of the marketing agreement programs with other surplus removal programs involving the expenditure of public funds.
8. Obtaining a better understanding of programs among producers, handlers and the public.
 - a. As to true conditions in industries justifying such activities.
 - b. That programs are industry undertakings and not something Washington is trying to put over.
 - c. In order to understand and counteract the misinformation which is put out against these programs.
9. Securing compliance including the necessary expeditious prosecution of flagrant violation.

B. Relationship between Marketing Agreement programs and the Extension Service.

1. Specific Recommendations. The exact part the Extension Service can best play in these programs will naturally depend somewhat on the existing relationships between Extension, and producer and handler groups in the various States but in any event the Extension Service should stand ready to serve in its usual educational capacity -- prepared to furnish accurate and unbiased information to producers and handlers.

Specifically the Extension Service can take an active part in

- a. Appraising general conditions and the market situation as related to proposed Marketing Agreements and Orders.
 - b. Cooperating with administration officials in working out the details of proposed marketing plans.
 - c. Bringing about a better understanding of programs among producers, handlers, and the public with respect to actual conditions in the industry, local responsibility for the program and the counteraction of misinformation.
2. General Considerations. The following additional points will contribute to a better working relationship between Extension workers and those administering marketing agreements:
 - a. Marketing agreement programs may be distinguished from many other Extension Marketing Programs in that they are programs of regulatory action.
 - b. Any program of action particularly involving regulatory provisions may be strongly opposed by certain groups.
 - c. Extension workers cannot intelligently advise with producers regarding any particular program unless they are thoroughly familiar with the conditions which exist and with the objectives, details and limitations of the program.
 - d. Such familiarity can be obtained only by the closest study of the problems and through continuous contact with the industry and the Marketing Agreement Section of the A.A.A. during the time particular programs are being developed.
 - e. The problem of Extension as related to attitude and leadership is one involving strategy and should be considered carefully in the light of particular situations.

IV. Surplus Purchases

Federal Surplus Purchase Programs are designed to:

1. Encourage domestic consumption.
2. Relieve distress by distributing food products purchased by the Federal Surplus Purchases Corporation to the needy.
3. Increase returns to growers by preventing price declines.

These objectives are to be accomplished through the purchases of food products and distributing them through relief agencies. The amount of money to carry on this program is limited by law to 30 per cent of the gross customs receipts for the previous fiscal year.

A. Relationship between Federal Surplus Commodities Corporation Program and the Extension Service.

The Extension Service can work definitely toward bringing about a better understanding of the program among producers, handlers, and the public.

1. By pointing out the conditions in any industries which justify the program as related to particular commodities.
2. By explaining the operation of the program.
3. By acquainting producers with the possibility of selling products through the Federal Surplus Purchase Corporation when that opportunity exists.
4. By furnishing dependable information concerning the accomplishment and limitations of these programs.

V. Scope of Report

No thought has been given in this report to the established activities of the Extension Service with reference to helping farmers adjust production to market demands, such as Outlook, intentions to plant and breed, market news information, and the like, since the set-up of this week's school and the time limits imposed made it desirable for the subcommittee to confine its deliberations to the additional Federal instruments which have entered the picture during recent years.

Respectfully submitted:

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W. B. Silcox
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December 18, 1937.

REPORT OF SUBCOMMITTEE C

Problems in Securing Greater Efficiency

I. Efficiency in Production

The net income from each farm enterprise is dependent upon the net profit per acre or per animal unit. Farmers operating under almost identical conditions as to soil type, size of farm, kinds and numbers of livestock, kinds and acreages of crops and prices for products sold, have great variation in the amount of net income. The primary cause of this variation is differences in farm management or in efficiency of production.

One of the first essentials for an increased net income per unit of crops or livestock is usually a larger acre yield and a relatively large production per animal unit in relation to the unit cost.

The large amount of soil being lost from erosion and plant food lost from the continuous growing of soil-depleting crops constitute major problems in crop production efficiency.

Under the A.A.A. the farmers are being paid for adopting soil-building and soil-conservation practices. The S.C.S. is furnishing farmers with technical assistance in preventing soil erosion. The Extension Service helps to let farmers know of the services available and how to take advantage of the services offered through both of these agencies. The Extension Service acquaints people with the losses that occur from improper soil management and encourages them to adopt soil-conserving and soil-building practices.

Since the gross income of more than 25% of the farmers of this country is less than \$600, and since about one-half of our farmers have a net cash income of less than \$500, it is very important, especially on most of the low income farms, that the farm family endeavor to produce as much food, feed, and fuel for home use as possible in order to reduce the cash expense and to increase buying power.

A. Crops

The following are some of the things that should be emphasized relating producing crops to increase farm income:

1. More extensive use of good quality adapted seed of superior strains and varieties, the selection of strains and varieties according to climate, soil type, soil acidity, plant food, yield, quality, disease and insect resistance, etc. More emphasis should be placed on the use of improved hybrids.
2. Soil maintenance and improvement by diversified farming, the growing of more grasses and legumes and timber, the judicious use of fertilizers, liming, terracing, etc.

3. Increasing yields and improving the quality of crops, especially crops that when marketed bring premium prices based on quality.
4. Lowering the cost of production by more efficient labor and the economic use of labor saving machinery and equipment. The effect of insect pests and plant diseases on farm income should be given more study.
5. More adequate methods of disease and insect control are essential. Among the most serious plant diseases demanding more attention are those affecting potatoes, cotton, cereal and forage crops.
6. Increasing the supply of home-grown food, feed, and fuel where it is economical to do so.

Among the most serious insect pests as indicated by damage done are grasshoppers. On this pest alone about \$2,000,000 were spent for poison bait in 1937, netting a profit of more than \$51.00 for each dollar spent. It is estimated that more than \$65,000,000 worth of crops were destroyed by grasshoppers in 1937. The Extension Service should cooperate in helping to eradicate major insect pests and plant diseases and to report outbreaks in new areas.

B. Livestock

The most rapid strides can be made toward increasing the income from livestock by:

1. More scientific feeding, making greater use of nutrition information now available, more efficient use of home-grown feeds in the preparation of animal rations, increased use of pasture, hay and silage of the highest quality obtainable, and less use of grain and high protein concentrates to reduce the cost of producing livestock and livestock products and to improve the health of animals.
2. The elimination of inherently low producing or unprofitable animals, further improvement of livestock by breeding and selection of animals with superior germ plasm in relation to productivity, efficient feed utilization, and disease resistance. More emphasis should be placed on cross breeding.
3. Reduction in losses from animal parasites and diseases.

II. Through Greater Efficiency in Farm Organization

Both farm incomes and standards of living are low on a large majority of our farms. Two-thirds of the farm families are obtaining about one-third of the farm income. The majority of these farm families have \$500 or

less cash income per year. Also there are wide differences in income from one locality to another and between farms in the same locality. Changes in the entire national economy have enforced increased commercialization in agriculture and in turn necessitate increasing efficiency in farm production if a desirable standard of rural living is to be maintained.

Major farm organization problems in improving farm income include aiding farmers in determining:

1. What and how much to produce.
2. The best combination of enterprises.
3. The best systems of farming.
4. The best size of operating units.
5. The best organization for long-time income considering soil conservation.
6. The production for home needs.

Federal action agencies now attacking these problems include:

1. The Farm Security Administration which aids large groups of low-income families in preparing and adapting farm and home plans. In this work the Farm Security Administration recently had 2,015 county farm supervisors and 911 home management supervisors, with in turn 181 district farm supervisors and 108 district home supervisors aiding in this work. Through these forces the Farm Security Administration, with some assistance from the county Extension agents, has prepared 313,000 farm and home plans for families provided with standard case loans and more than 221,000 less complete plans for farmers obtaining emergency loans.
2. The Soil Conservation Service in its program prepares five-year operating plans for cooperating farmers in those areas where soil conservation and erosion control are major problems and renders advisory assistance in the execution of these plans on the individual farms. In this work the Soil Conservation Service recently had in its employ more than 2,100 technicians who assist farmers in making these five-year plans. These include primarily agronomists, agricultural engineers, and farm management specialists, who have given direct assistance in the preparation of more than 56,000 farm plans involving more than 8,500,000 acres.

3. The Farm Credit Administration in its program requires farmers applying for production credit loans to submit a farm and family living plan and budget. They are also assisting with various other farm management, home management, and outlook services with their farmer-borrowers.
4. The Agricultural Adjustment Administration is assisting farmers in preparing farm plans and establishing goals for soil-depleting and soil-conserving crops. As an example, in the North Central division, involving ten Central States, farm maps have been developed showing the degree of slope and of erosion as well as the inherent productivity and present productivity of the land. These data are being prepared on more than 1,500,000 farms in the area. Additional data of value in farm planning have also been developed with reference to yield and productivity on a large number of additional farms which have cooperated in recent years in the A.A.A. program.

The Extension Service is assisting in these problems through:

1. A wide dissemination of outlook information annually and periodically in all important agricultural counties of the United States.
2. The county planning work where planning committees with the assistance of college specialists appraise their problems and make recommendations as to future desirable systems of farming.
3. The record projects designed to help farm people keep and analyze farm and home records as a basis for making desirable adjustments.
4. The dissemination of local farm management and related information with attendant programs designed to encourage the adoption of indicated practices and adjustments.
5. Encouragement of the farm and home unit approach in building agricultural programs.
6. The development of educational programs designed to develop a better understanding on the part of as many farmers as possible of the major farm management and other pertinent economic principles.

The Extension Service can cooperate more fully with the various national agencies by:

1. Consulting with the various action agencies to ascertain their difficulties and to get suggestions from them as to desirable assistance which the Extension Service can effectively render.

2. Strengthening the county planning work in the counties, at the colleges, and in Washington through closer tie-up with research and action agencies. Have Extension definitely recognized and designated as the agency through which planning activities can be synchronized and relayed to and from farm people.
3. Assembling in the county extension offices all the pertinent data available from every agency and becoming familiar with the weak portions of these data in order that a central point in the county may be available as a clearing house for all information developed by the different agencies with reference to the farms and the agriculture of the respective counties.

III. Greater Efficiency in Distribution

A. The situation.

On the basis of the 1930 census, it has been estimated that consumers of food in the United States paid in 1929 about 16.3 billion dollars for food produced in this country. These figures do not include fibers, feed crops and products exported, but only domestically produced foods consumed at home. Farmers received 7.4 billion dollars of this amount or 45 cents of each dollar spent by consumers for American grown food. This leaves a marketing cost of 8.9 billion dollars in 1929. Unlike farm or retail prices, marketing costs tend to remain rather stable during periods of falling and rising prices. According to Consumers' Guide, October 1933 and 1937, the retail value of typical monthly purchases of certain foods per family in 1929 amounted to \$26.11, the marketing costs were \$13.71, and the farm value was \$12.40. In 1932 the retail value of the same foods was \$16.78, the marketing costs \$13.24, but the farm value had declined to \$3.54. By 1937 the retail values had increased to \$24.11, the farm value to \$11.07, while the marketing costs were \$13.04.

Numerous factors contribute to these relatively high and constant costs of distribution in the United States. For example, many products are moved great distances to market. Also, there exists in our present system of distribution considerable duplication of services and unnecessary handling of products which results in excessive wastes and adds to the costs of marketing. Speculation in farm products in the marketing process has a similar effect. Existing inefficiency in services and facilities also increases the spread between farm and retail food prices. Besides, many retailers and other handlers of agricultural products operate on a relatively small volume basis and, consequently, a comparatively high margin or service cost in order to cover expenses and maintain a livelihood. In addition to the foregoing, some State and Federal legislation has been enacted which has resulted in the protection of certain groups to the disadvantage of others and has brought about greater inefficiency in our system of distribution. Finally, it should be added that many increased services rendered in processing, packaging, and distributing farm products have also increased marketing costs. It may be cited in this connection that the percentage of our total population gainfully employed in the field

of distribution in 1870 amounted to 9.9 per cent, while in 1930 this percentage increased to 20.4 per cent, and designates that more services are being paid for at present than was the case three-quarters of a century ago. These problems among others which influence efficiency in distribution, and therefore farm income and buying power, need to be studied in more detail and discussed with producer and consumer groups alike.

- B. Considerations in developing future Extension programs in meeting the above situation and, therefore, assisting farmers in increasing their net income and buying power.

The following suggestions or adjustments to be considered in developing future marketing programs should not be taken as entirely new or separate and apart from programs that have been conducted in the past. Some extension programs are already placing increased emphasis on many of the considerations which are listed below, while other programs can be changed considerably in approaching the problem of assisting farmers in obtaining increased income and buying power through greater efficiency in distribution. Among others, some of the more important adjustments to be considered in developing future extension programs may be set forth as follows:

1. Determine the facts and extend information to interested groups regarding wasteful and inefficient operations in our system of distribution, whether such operations pertain to practices on the terminal markets or to conditions in the country, but which add to costs which have no economic justification.
2. Obtain facts and information to determine if certain marketing and purchasing functions, under varying conditions, can be performed more efficiently through cooperative action, and discuss such information with the parties concerned in helping them to arrive at the proper conclusions and, if need be, action.
3. Analyze and discuss with producers and consumers the effect that proposed or actual legislation has, or will have, on the operating efficiency of our system of distribution.
4. Assist farmers in adjusting the quality and quantity of their production, through comprehensive planning, in such a way as to meet market preferences, as well as to determine and take advantage of the best markets available when kind and grade of products to be offered for sale are considered.
5. Extension workers should become thoroughly familiar with the objectives of the various national agencies dealing with the problems of distribution, and render assistance by disseminating information and taking part in educational activities which will help in making application of the national programs.
6. As marketing is authoritatively considered as a part of, or a continuation of, the process of production and that a large portion of all marketing problems originate in production, a

greater and continued emphasis should be given to the necessity of closer cooperation and joint programs between production and marketing Extension specialists in order that the problems involved be attacked from all angles.

7. Encourage more research on many of the problems of distribution where definite or conclusive information is not available at present.
8. Encourage increased thought and study of ways and means by which unusable farm surpluses or agricultural by-products can be diverted into non-competitive or more valuable products to be utilized either as food or by industries.

IV. Efficiency in Farm Financing

Farm financing involves the use of savings or owned assets, the use of credit, and the distribution of these in the farm business.

Credit on the short-time view directly provides buying power, and while it is not itself income, credit affects farm incomes in three ways:

1. Credit gives command over the factors of production which result in income.
2. Credit anticipates income and evens up the use of widely fluctuating returns.
3. The cost of credit is a direct charge which must be paid out of income.

On January 1, 1935, 34.5 per cent of all farms carried mortgages which amounted to over 7.6 billion dollars. The annual interest charge on this is estimated by the Bureau of Agricultural Economics to be 400 million dollars or \$170 per mortgaged farm. Short-term borrowings of over 950 million dollars from specialized credit agencies, plus an estimated billion dollars of trade credit, plus loans from emergency sources would amount to around 2.1 billion dollars. The cost of this would be somewhere between 150 and 200 million dollars additional for the two-thirds or more of the farmers who use short-term credit or near \$50 per farm for this group. Since 1920, omitting the depression years when the percentage was much higher, the cost of the credit used has taken between 5 and 10 per cent of the total cash receipts of all farmers, but a much larger part of the incomes of those farmers who are in debt.

During the last 10 years there has been a reduction of over one-third in the total interest charges paid by farmers resulting from less credit and lower rates. The refinancing of loans through the Farm Credit Administration saved farmers 40.9 million dollars in interest in 1937. The temporary lower rate provided through Congressional appropriation reduced interest costs by 32.5 million dollars in addition for land bank borrowers. Many farmers still have opportunity to lower the cost of their credit.

A. The farmer's credit problems are of three types:

1. The perplexity of making sound decisions in planning his farm program which involves the use of credit because of uncertainty in the short and long-time outlook.
2. The difficulty in obtaining credit suited to his needs and in making a wise selection of one of the available sources.
3. The question of managing the credit used in a way that will keep both its cost and the risk of losing the security as low as possible.

B. The Federal agencies providing credit to farmers are:

1. The Farm Credit Administration.
2. The Farm Security Administration.
3. The Rural Electrification Administration.
4. The Commodity Credit Corporation.
5. The Federal Housing Administration.

C. Some of the difficulties these agencies have encountered in providing credit to farmers are:

1. A lack of adequate information on the part of farm families of the credit services offered by the various agencies and sometimes an inability of Extension people to provide sufficiently accurate information concerning credit.
2. A lack of knowledge on the use of credit by farm families, shown by overborrowing in relation to ability to repay out of farm income after providing a living for the family, and by failing to appreciate the value of a good credit rating.
3. A lack of sound farm planning both short and long-term for production and investment, frequently resulting from lack of budget information, and from lack of farm records and the knowledge of how to analyze them.
4. A lack of adequate agricultural information on the part of the personnel of the lending agencies.

D. The Extension Service has in the past conducted a number of projects related to credit and other general work:

1. Inventory campaigns.

2. Farm records and accounts.
3. Budgets and individual farm planning.
4. Short and long-time outlook work.
5. Assistance to cooperative organizations.
6. Emergency work in receiving applications for crop and seed and drought loans.
7. Assisting debt-adjustment committees.

E. The Extension Service can strengthen its own program in credit and increase the efficiency of the services offered by Federal credit agencies by:

1. Encouraging Extension workers themselves through contacts with local representatives to become more thoroughly informed of the various services offered by these agencies and of the principles of sound credit use.
2. Giving farmers accurate information as to the services of the several credit agencies.
3. Analyzing the local credit situation and presenting material that will show how to use credit wisely and particularly how to reduce its cost on many farms in the county.
 - a. In timely articles for the press.
 - b. In meetings, particularly those related to outlook.
 - c. In inventory and credit statement campaigns.
 - d. In farm management summary schools.
 - e. In farm and home planning project group work.
 - f. In discussion group programs.
 - g. In work with older 4-H club members and youth groups.
4. Arranging to include a few borrowers who are having difficulty in meeting their payments in individual farm and home planning projects.
5. Encouraging wise investment in the farm business in the light of the best available information on future land values in the county.

6. Assisting in setting up or reorganizing cooperatives on a sound financial basis.
7. Providing the personnel of credit agencies when mutually feasible with special training in the agricultural field.

These activities will receive the needed emphasis in most States only when a definite project in farm finance and credit has been set up. The project should include the definite assignment of qualified personnel and of funds, the coordination of the activities that result with other related Extension programs, and the fullest possible cooperation with credit agencies.

Respectfully submitted:

H. W. Gilbertson, Chairman,
H. M. Dixon,
Miss Mary Rokahr,
C. E. Potter,
W. B. Stout,
J. L. Robinson,
E. O. Pollock.

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Monday, December 13

C. B. Smith, Presiding

10 a.m. Purpose of Conference

C. B. Smith,
Asst. Director,
Extension Service.

Discussion:

An Appraisal of the Social and Economic
Changes and Needs of Today

M. L. Wilson,
Under Secretary.

Discussion:

Trends in Research

Dr. J. T. Jardine,
Chief, Off. Expt. Stas.

Discussion

Sybil L. Smith, Home
Economist, Off. Expt.
Stas.

C. B. Smith, Presiding

2 p.m. What Social and Economic Facts Are Needed
in Building a Sound Rural Program?

A. G. Black, Chief,
Bur. Agr. Econs.

Discussion, led by

Carl Taeusch, A.A.A.
Miss Madge Reese, Ext.
Service.

How Can the Facts Needed in Rural
Extension Program in a State Best be
Secured and Applied in the State?

J. R. Hutcheson,
Director of Extension,
Virginia.

Discussion

Bushrod W. Allin.

Tuesday, December 14

H. M. Dixon, Presiding

Problems in Improving Farm Income and Buying Power

10 a.m. Problems in Obtaining the Best Use of Land L. C. Gray, In Charge,
Div. Land Econ., B.A.E.

Discussion, Subcommittee A:

(C. A. Sheffield
(P. V. Kepner
(C. D. Lowe.
(J. B. Parker.
(M. P. Jones.

Problems in Adjusting Supply to Demand by
Means of:

a. Production Goals

F. F. Elliott, Director,
Div. Program Planning,
A.A.A.

Discussion:

b. Ever Normal Granary and Commodity
Loans

M. Ezekiel, Economics
Adviser, Off. of Sec.

Discussion:

c. Marketing Agreements and Surplus
Purchases

F. R. Wilcox, Director
Div. Mktg. Agree, A.A.A.

Discussion, Subcommittee B:

(M. C. Wilson.
(Miss Florence Hall.
(W. B. Silcox.
(R. C. Jones.
(S. P. Lyle.
(H. L. Shrader.
(B. W. Allin.

Tuesday, December 14 (Contd.)

H. M. Dixon, Presiding

2 p.m. Problems in Securing Greater Efficiency in:

a. Production

O. E. Reed, Chief,
Bur. Dairy Industry.

Discussion:

b. Farm Organization

Sherman Johnson, In
Charge, Farm Management
and Costs, B.A.E.

Discussion:

c. Distribution

E. G. Nourse, Director
Economics, Brookings Inst

Discussion:

d. Financing

W. I. Myers, Governor,
Farm Credit Admin.

Discussion Subcommittee C:

(H. W. Gilbertson.
(H. M. Dixon.
(Miss Mary Rokahr.
(C. E. Potter.
(W. B. Stout.
(J. L. Robinson.

Functions of the Committees:

1. To meet prior to the conference for the purpose of organizing procedure and assigning responsibilities to members.
2. To summarize the various problems as developed by the speakers and in the discussions.
3. To determine the function of the Extension Service in helping to solve these problems.
4. To recommend methods and procedure to be followed by the Extension Service in performing the above indicated functions.

Tuesday, December 14 (Contd.)

Income and Buying Power Committees:

H. W. Gilbertson.
M. C. Wilson.
C. A. Sheffield.
P. V. Kepner.
C. D. Lowe.
J. B. Parker.
M. P. Jones.
Miss Florence Hall.
W. B. Silcox.
R. C. Jones.
S. P. Lyle.
H. L. Shrader.
B. W. Allin.
H. M. Dixon.
Miss Mary Rokahr.
C. E. Potter.
W. B. Stout.
J. L. Robinson,

Wednesday, December 15

Reuben Brigham, Presiding

Conservation of Our Agricultural Resources

10 a.m. What Conservation Is and Means, as
Applied to:

Human Resources

O. E. Baker, Sr. Agr. Econ.,
Land Resources, B.A.E.

Discussion, Subcommittee A:

(F. C. Meier.
(Miss Miriam Birdseye.
(D. C. Mumford.
(A. B. Nystrom.
(Miss Edith Allen.

The Soil

Hugh Bennett, Chief,
Soil Conservation Serv.

Discussion, Subcommittee B:

(H. W. Hochbaum.
(C. P. Close.
(O. S. Fisher.
(R. A. Turner.

Continuation, Reuben Brigham, Presiding

2 p.m. What Conservation Is and Means as Applied to:

Forests

F. A. Silcox, Chief,
Forest Service.

Discussion, Subcommittee C:

(A. B. Graham.
(W. K. Williams.
(Barnard Joy.
(G. T. Hudson.
(E. H. Shinn.

Wednesday, December 15 (Contd.)

2 p.m. Wildlife

I. N. Gabrielson, Chief,
Bur. Biological Survey.

Discussion, Subcommittee D:

(C. L. Chambers.
(R. A. Turner.
(Madge Reese.
(J. K. Wallace.
(L. A. Schlup.

Conservation Committees

H. W. Hochbaum.
C. L. Chambers.
A. B. Graham.
F. C. Meier.
R. A. Turner.
A. B. Nystrom.
Miss Madge J. Reese.
O. S. Fisher.
W. K. Williams.
C. P. Close.
K. F. Warner.
D. C. Mumford.
G. T. Hudson.
J. K. Wallace.
E. H. Shinn.
Barnard Joy.
L. A. Schlup.
Miss Edith Allen.
Miss Miriam Birdseye.

Thursday, December 16

Miss Mary Rokahr, Presiding

Fundamental Factors in Effective Farm Family Living

10 a.m. Viewpoint Toward Family Life

C. C. Taylor, Chief,
Farm Pop. and Rural Life,
Bur. Agr. Economics.

Discussion Subcommittee A:

(Ola Powell Malcolm.
(W. A. Lloyd.
(Mrs. Lydia Lynde.
(C. H. Hanson.

Financial Planning for Family Living

W.W.Alexander,Admin.,
Farm Security Admin.

Discussion

Day Monroe, Chief,
Economics Div., B.H.E.

Discussion Subcommittee B:

(Eugene Merritt.
(L. M. Vaughan.

Miss Grace Frysinger, Presiding

2 p.m.

Contributions to Family Living Through

Social Security

Lavinia Engle,Ed.Repr.,
Social Security Board.

Discussion Subcommittee C:

(Miss Ella Gardner.
(W. R. Mattoon.
(O. E. Baker.

Consumer Education.

E.E.Montgomery, Con-
sumers Counsel,A.A.A.

Discussion Subcommittee D:

(Miss Grace E. Frysinger.
(W. C. Ockey.
(W. E. Wintermeyer.

Thursday, December 16

Continuation

2 p.m. Contribution to Family Living through:

Rural Electrification

Clara Male, Home
Electrification Specialist
R. E. A.

Discussion Subcommittee E:

(Miss Gertrude Warren.
(Karl Knaus.
(R. J. Haskell.

Farm Family Living Committees

Miss Gladys Gallup.
Miss Grace E. Frysinger.
Karl Knaus.
Mrs. Ola Powell Malcolm.
W. E. Wintermeyer.
W. A. Lloyd.
Miss Gertrude L. Warren.
W. R. Mattoon.
Eugene Merritt.
R. J. Haskell.
L. M. Vaughan.
W. C. Ockey.
O. E. Baker.
C. H. Hanson.
Miss Ella Gardner.
Mrs. Lydia Lynde.

Friday, December 17

Committee Meetings

- A - Problems in Improving Farm Income and Buying Power.
- B - Conservation of Our Agricultural Resources.
- C - Fundamental Factors in Effective Farm Living.

Each committee will meet and consider various matters discussed in preceding 4 days and, in the light of such material, formulate a suggested program for Extension in each field.

Saturday, December 18

C. W. Warburton, Presiding

10 a.m. Report, Chairman Committees:

- | | |
|--|--------------------|
| (a) The Conservation Extension Program, 1938 | H. W. Hochbaum. |
| (b) Farm Income Extension Program, 1938 | H. M. Dixon. |
| (c) Family Living Extension Program, 1938 | Gladys Gallup. |
| (d) The responsibility of the Extension Service in Relation to a National Farm Program | Reuben Brigham |
| (e) The Work of Extension, 1938 | Secretary Wallace. |
| (f) Final Remarks | C. W. Warburton. |

